NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 Fax (505)334-6170

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

February 10, 1997

Mr Brett Liggett
Unocal Oil and Gas Division
Unocal Corp
PO Box 850
Bloomfield NM 87413

Re: Rincon Unit #168E, API# 30-039-25211, I-36-27N-7W

Dear Mr. Liggett:

Your recommended allocation of commingled production from the referenced well is hereby approved as follows:

	Gas	Oil
Blanco Measverde	65%	44%
Gallup	9%	0%
Basin Dakota	26%	56%

Sincerely,

Frank T. Chavez
District Supervisor

FTC\sh

cc: well file

Unocal Oil & Gas Division
Unocal Corporation
913 West Broadway, P.O. Box 850
Bloomfield, New Mexico 87413
Telephone (505) 632-1811

UNOCAL

Friday, November 15, 1996

New Mexico Oil Conservation Division
Attn.: Mr. Frank Chavez
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE
Rincon Unit, Rio Arriba County, New Mexico
Request For Down Hole Commingle
Allocation Approval

Dear Mr. Chavez:

The following completions were added to these existing Rincon Unit wells. Completion reports have been submitted for approval. I recommend these constant percentage allocation factors for the producing life of these well bores. The allocation factors should be constant percentage because individual working and royalty interests between all zones involved are equal. I enclose copies of tests and production history to support my recommendation.

RU 183

30-039-06408

Well	Frm	Legal	DHC Order	Oil (bpd)	Gas (Mcfd)	Oil(%)	Gas(%)
183	DK*	K,S31,T27N,R6W	NA	0.46	180	48	38
183	MV**	K,S31,T27N,R6W	DHC-1376	0.50	295	52	62
168E	DK*	I,S36,T27N,R6W	DHC-917	0.88	218	56	26
168E	GL*	I,S36,T27N,R6W	DHC-917	0.00	72	0	9
168E	MV**	I,S36,T27N,R6W	DHC-1911	7.00	553	44	65

30-039-25211

RU 168E

*Existing Completion
**New Completion

If you have any questions please I may be contacted at (505) 632 - 1811 ext. 14.

Sincerely,
Union Oil Company of California
d.b.a. UNOCAL

Brett H. Liggett
Production Engineer

cc BLM, Farmington District, Farmington New Mexico

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1376

Unocal Oil & Gas Division
P.O. Box 850
Bloomfield, New Mexico 87413-0850

Attention: Mr. Brett H. Liggett

Rincon Unit Well No.183 (API No.30-039-06834)
Unit K, Section 31, Township 27 North, Range 6 West, NMPM,
Rio Arriba, New Mexico.
Blanco Mesaverde (Gas - 72319) and
Basin Dakota (Prorated Gas - 71599) Pools

Dear Mr. Liggett:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the subject well to commingle production from multiple pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the subject zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Production from the subject well shall be allocated utilizing the formula as shown on Exhibit 'A' attached hereto.

The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 16th day of October, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Aztec
Bureau of Land Management - Farmington

EXHIBIT 'A'

To allow for flush production for a period of less than 24 months:

$Q1n = qi(e^{-D(t-0.5)})(365/12)$ and $Q2n = Qn-Q1n$;

When: $Qn < Q1n$;

Then: $Q1n = Qn(Q1(n-1)/(Q1(n-1)+Q2(n-1)))$ and $Q2n = Qn(Q2(n-1)/(Q1(n-1)+Q2(n-1)))$;

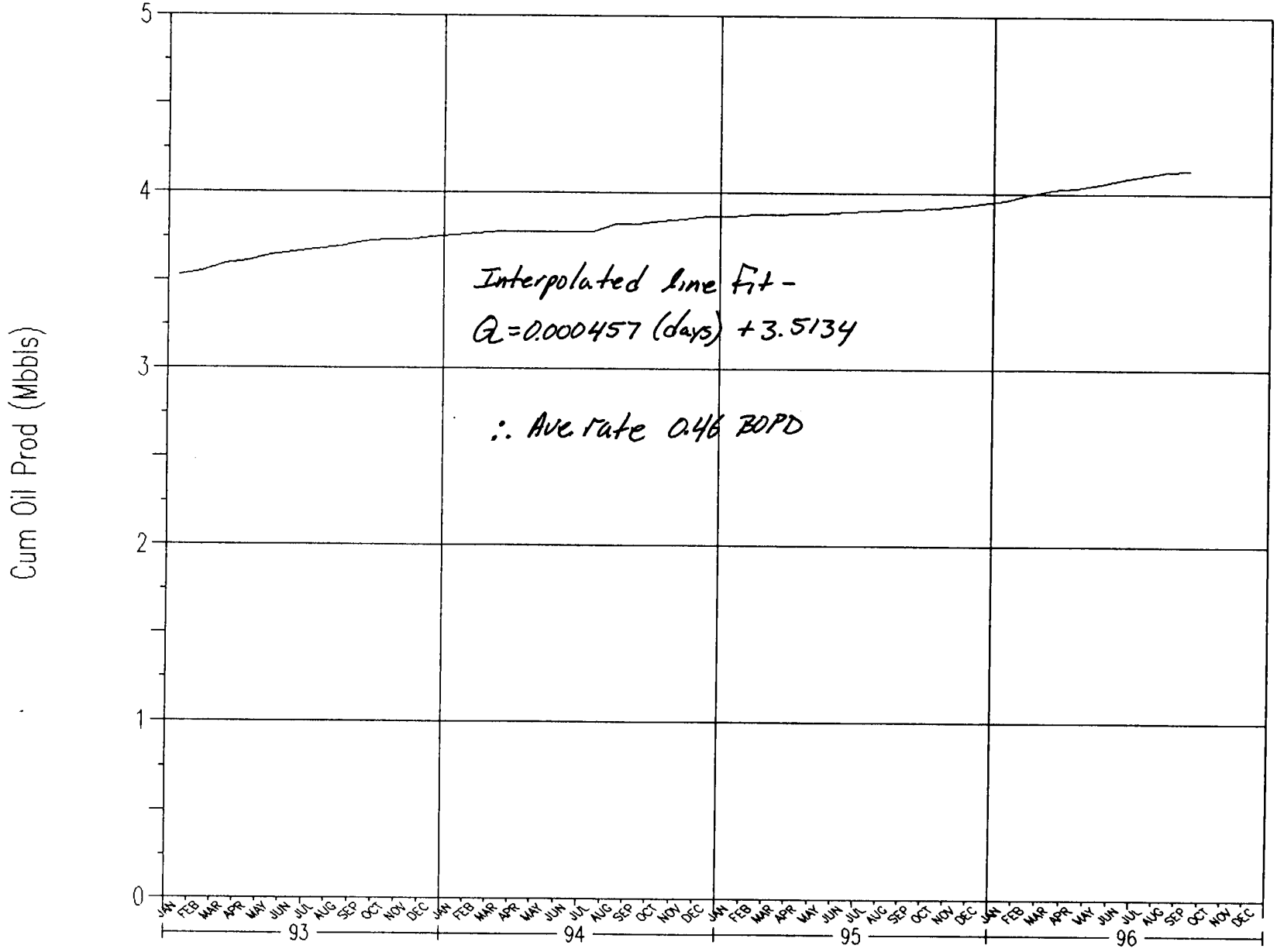
And to allow for flush production for a period of more than 24 months:

$Q1n = Qn(Q1(24)/(Q1(24)+Q2(24)))$ and $Q2n = Qn(Q2(24)/(Q1(24)+Q2(24)))$;

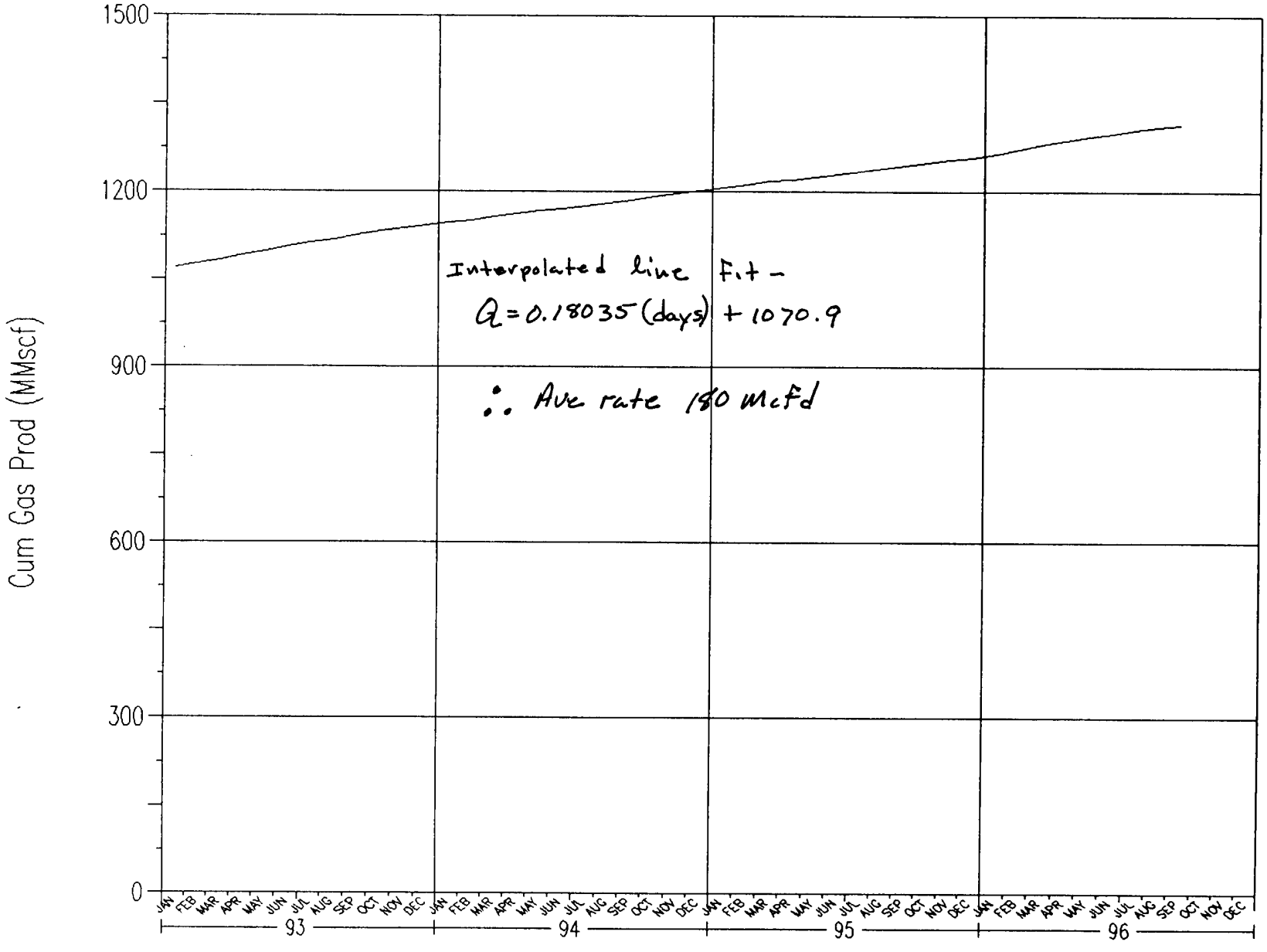
Where:

qi	Average three month production rate of the existing completion prior to downhole commingling in Mcfd
D	Effective monthly decline rate of the existing completion (1/months)
Qn	Total commingled production, for the nth month, after n months of commingled production in Mcfd.
$Q1n$	Total production for the existing completion, for the nth month, after n months of commingled production in Mcfd.
$Q2n$	Total production for the new completion, for the nth month, after n months of commingled production in Mcfd.
t	Time from beginning of commingled production (months)

WELL: RINCON UNIT 183:DK



WELL: RINCON UNIT 183:DK



Form 3160-4
(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

FORM APPROVED
Budget Bureau no. 1004-0137
Expires: August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: SF 079364
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT AGREEMENT NAME: RINCON UNIT
8. FARM OR LEASE NAME:
9. WELL No.: 183
10. FIELD AND POOL, OR WILDCAT: BLANCO MESA VERDE
11. SEC.T.R.,U.,OR BLOCK AND SURVEY OR AREA: K, Sec.31,T27N-R06W

1a. TYPE OF WELL: [ ] OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER
b. TYPE OF COMPLETION: [ ] NEW WELL [ ] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [X] NEW OTHER COMPLETION

2. NAME OF OPERATOR: UNION OIL COMPANY OF CALIFORNIA

3. ADDRESS OF OPERATOR: P.O. BOX 850 - BLOOMFIELD, NM 87413 (505)632-1611 EXT 14

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At Surface: 1697' FSL & 1460' FWL, Sec 31, T27N - R06W
At top prod. interval reported below: SAME
At total depth: SAME

Copy by request for Allocation

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
30-039-06808	08/62	RIO ARRIBA	NM

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMP. (Ready to prod)	18. ELEVATION (DF,RKB,RT,GR,ECT.)*	19. ELEV.CASINGHEAD
09/26/62	10/16/92		6658' DF	6646'

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
7576'	7500'	2	------►	YES	

24. PRODUCING INTERVAL(S), OF THIS COMPLETIONS-TOP, BOTTOM, NAME (MD AND TVD)*: 5302' - 5432' TVD, POINT LOOKOUT/MESA VERDE

25. WAS DIRECTIONAL SURVEY MADE: NO

26. TYPE ELECTIRC AND OTHER LOGS RUN: GR/NU FOR THIS COMPLETION

27. WAS WELL CORED: NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	40#	335'	12 1/4"	210 sxs "G"	
4 1/2"	10.5 # & 11.6#	7575'	7 7/8"	1) 208 sxs 1-1 Diamix	
				2) 252 sxs 1-1 Diamix	
				3) 222 sxs 1-1 Diamix	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8" 4.7#	7494'	none

31. PERFORATION RECORD (Interval, size and number)
5296' - 5300'
5308' - 5311'
5352' - 5358' @ 2 spf

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ECT.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIALS USED
5296' - 5358'	56,380 lb 20/40 Arizona Sand

33. * PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump)	WELL STATUS (Producing or shut-in)
New Completion	flowing	shut-in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL-BBL.	GAS-MCF.	WATER-BBL.	GAS-OIL RATIO
11/13/96	24 hours	open	------►	1/2 bbl	295 mcfd	load wtr	590 mcf/bbl

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL-BBL.	GAS-MCF.	WATER-BBL.	OIL GRAVITY-API (CORR.)
100 psi	290 psi	------►	1/2 bbl	295 mcf	load water	53.0

34. DISPOSITION OF(Sold, used for fuel, vented, ect.): vented
TEST WITNESSED BY: LES GIMBLE

35. LIST OF ATTACHEMENTS: Request for allocation

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [signature] TITLE PRODUCTION ENGINEER DATE 11/15/96

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER DHC-917

UNOCAL Oil & Gas Division
3300 North Butler Avenue
Farmington, NM 87401

Attention: Glen O. Papp

Rincon Unit Well No. 168-E
Unit I, Section 36, Township 27 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico.
Undesignated Gallup and Basin Dakota Pools

Dear Mr. Papp:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Undesignated Gallup Pool	Oil	0%	Gas	25%
Basin Dakota Pool	Oil	100%	Gas	75%

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 17th day of September, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

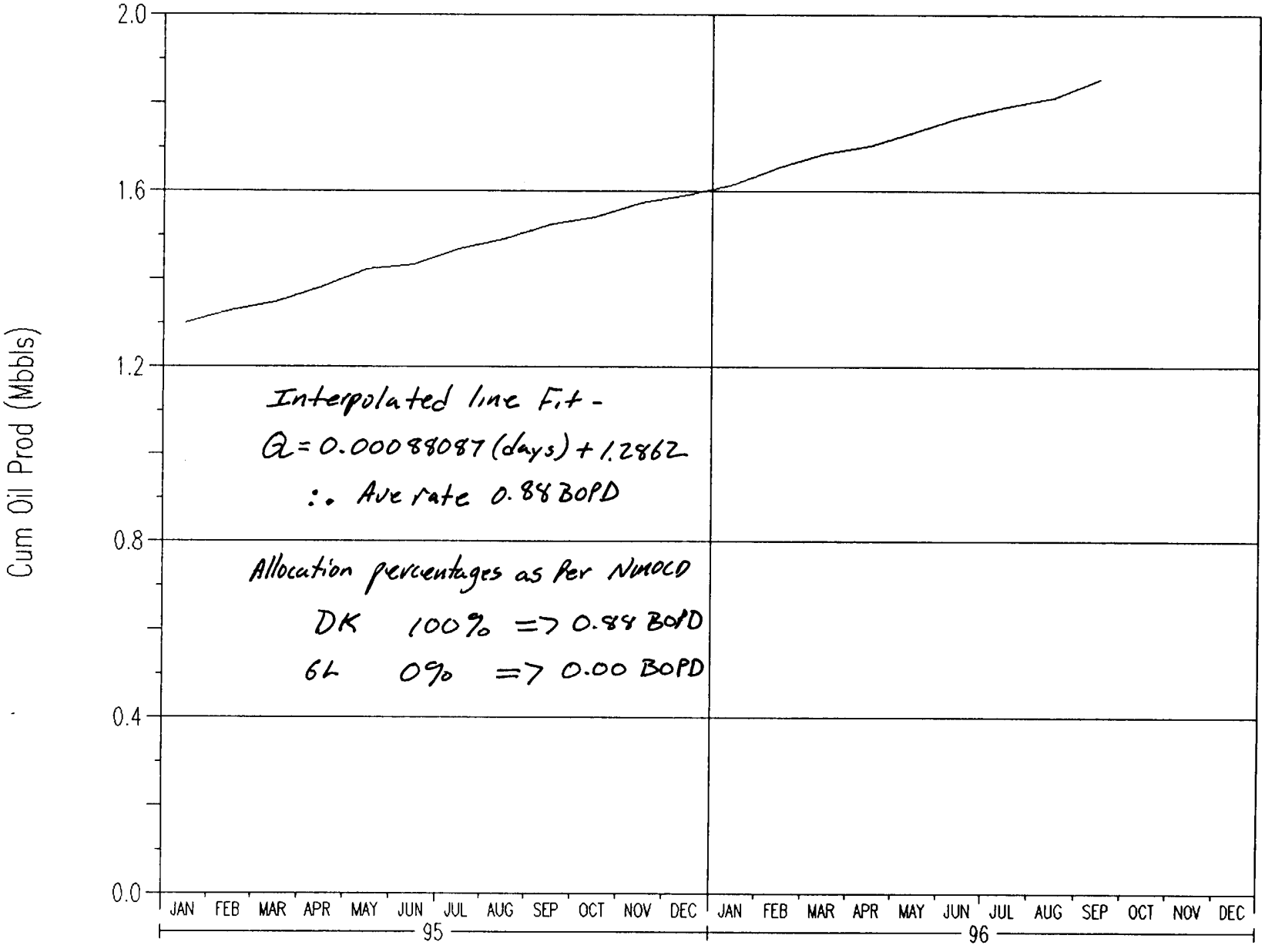
S E A L

WJL/BES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

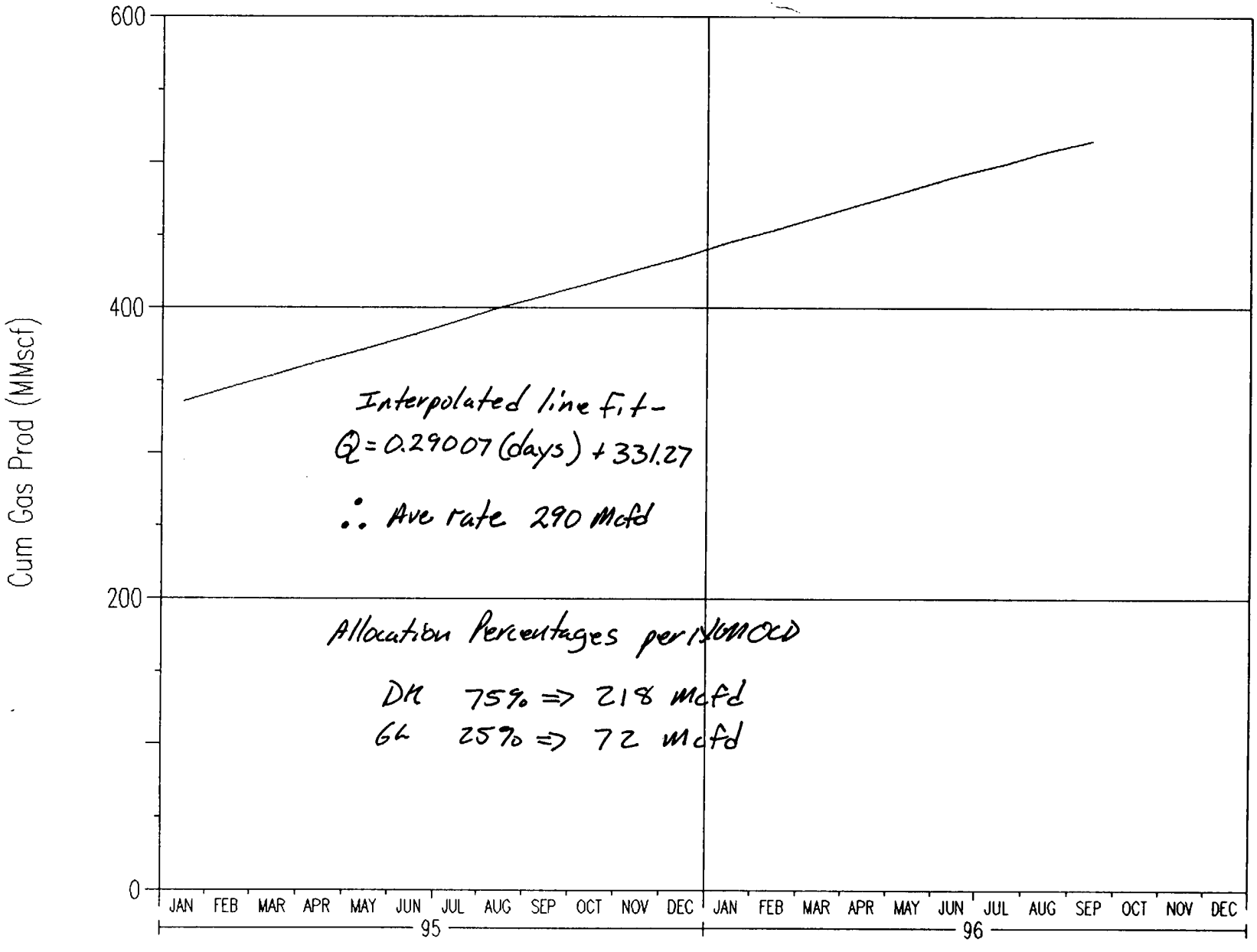
WELL: RINCON UNIT 168E:DK/GL

Total for Selected Completions (2)



WELL: RINCON UNIT 168E:DK/GL

Total for Selected Completions (2)



District Office
State Lease – 6 copies
Fee Lease – 6 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Submitted for Request for Allocation

Form C-105
Revised 1-1-89

WELL API NO.
30-039-25211

5. Indicate type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.
E290-28

WELL COMPLETION OR RECOMPLETON REPORT AND LOG

1a. Type of Well: OIL WELL [ ] GAS WELL [X] DRY [ ] OTHER

b. Type of Completion: NEW WELL [ ] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF RESVR [X] OTHER

7. Lease Name or Unit Agreement Name
RINCON UNIT

2. Name of Operator
UNION OIL OF CALIFORNIA dba/UNOCAL

8. Well No.
168E

3. Address of Operator
P.O. BOX 850 – BLOOMFIELD, NM 87413

9. Pool name or Wildcat
BLANCO MESA VERDE

4. Well Location
Unit Letter I : 1845 Feet From The SOUTH Line and 840 Feet from the EAST Line

Section 36 Township 27N Range 07W NMPM RIO ARRIBA County

10. Date Spudded	11. Date T.D. Reached	12. Date Compl (Ready to Prod.)	13. Elevations (DF & RKB, RT, GR, etc.)	14. Elev. Casinghead
09/19/92	10/03/92	11/05/96	6547' GR	6547' GR

15. Total Depth	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
7523'	7482'	3		YES	

19. Producing Interval(s) of this completion – Top, Bottom, Name
4598'–5522' BLANCO MESA VERDE

20. Was Directional Survey Made
NO

21. Type Electric and other Logs Run
DIL/GR/DEN/NUE/SP/CAL

22. Was Well Cored
NO

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	373'	12 1/4"	250 sxs "B"	
5 1/2"	17#	7529'	7 7/8"	900 sxs 50/50 poz	
				335 sxs "B", cmt to surface	

24. **LINER RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. **TUBING RECORD**

SIZE	DEPTH SET	PACKER SET
2 3/8"	7300'	

26. Perforation record (interval, size, and number)
5145'–47',5153'–56',5180'–85'
5201'–03',5238'–40',5249'–55',5261'–63',5272'–74',5286'–87'
@ 1 spf, 32 gm

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
5145'–5287'	80,000 lb 20/40 Arizona Sand

28. **PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping – Size and type pump)	Well Status (Prod. or Shut-in)
New Completion	Flowing	Shut-in

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil – Bbl.	Gas – MCF	Water – Bbl.	Gas – Oil Ratio
11/03/96	24 hrs	variable		7 bbls	533 mcf	Load Water	76 mcf/bbl

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil – Bbl.	Gas – MCF	Water – Bbl.	Oil Gravity – API (Corr.)
105 psi	350 psi		7 bbls	533 mcf	Load Water	55.0

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
Vented

Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

Signature Brett H. Liggett Printed Name Brett H. Liggett Title Produciton Engineer Date 11/8/96