

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

OIL CONSERVATION DIVISION



January 24, 1995

UNOCAL
P. O. Box 2620
Casper, WY 82602-2620

Attention: Jim Benson

RECEIVED
JAN 26 1995
OIL CON. DIV.
DIST. 3

AMENDED
Administrative Order NSL-3412

Dear Mr. Benson:

Reference is made to your letter dated December 28, 1994 to amend Division Administrative Order NSL-3412, dated July 26, 1994, which order authorized UNOCAL's Rincon Unit Well No. 183-E (API No. 30-039-25433) to be drilled at an unorthodox infill gas well location in the Basin-Dakota Pool 1880 feet from the South line and 2080 feet from the East Line (Unit J) of Section 31, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, as to include the Blanco-Mesaverde Pool within the provisions of said order.

It is our understanding that this well was drilled in August 1994 to a total depth of 7750 feet. This well was originally to have been dually completed in the Basin-Dakota Pool and the South Blanco-Tocito Oil Pool, however, the Tocito interval tested "non-productive" and was subsequently "squeezed-off".

It is our understanding at this time that said well is to be dually completed in both the Basin-Dakota and Blanco-Mesaverde Pools, Lots 4, 13, 14, 15, and 16, the SE/4 SW/4, and the S/2 SE/4 (S/2 equivalent) of said Section 31 shall be dedicated to said well to form a 336.32-acre gas spacing and proration unit for the Blanco-Mesaverde Pool.

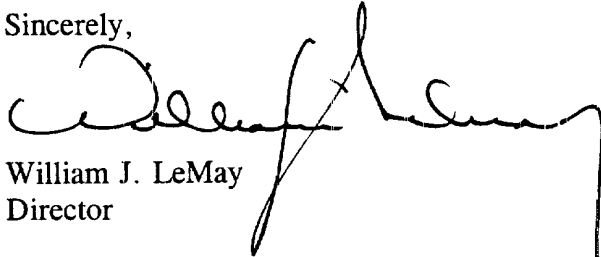
By the Authority granted me under the provisions of Rule 2(d) of the Special Rules and Regulations for the Blanco-Mesaverde Pool as promulgated by Division Order No. R-8170, as

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970
Oil Conservation
827-7131

amended, the above-described unorthodox gas well location is hereby approved. All provisions of the original Order NSL-3412 as it pertains to the Basin-Dakota Pool shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Melissa Osborne, UNOCAL - Bloomfield, NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
SF 079364

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
RINCON UNIT

8. Well Name and No.
183E

9. API Well No.

10. Field and Pool, or Exploratory Area

Basin/Dakota/S. Blanco
11. County or Parish, State
Tocito
Rio Arriba

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

UNION OIL COMPANY OF CALIFORNIA

3. Address and Telephone No.

P.O. Box 2620, Casper, WY 82602 (307) 234-1563, ext. 116

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1880' FSL & 2080' FEL
Sec. 31, T27N-R6W

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☒ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Include pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Rincon Unit No. 183E was originally permitted and drilled as a Basin Dakota/South Blanco Tocito well. The well was spudded 8-5-94 and TD'd @ 7750' 8-18-94. The well was logged and 7" production casing was run and cemented. The Dakota/Graneros was perforated, fracture stimulated and tested. A bridge plug was set above this interval and the Tocito was perforated, fracture stimulated and tested. The Tocito proved to be non-productive during testing and was squeezed. The well was cleaned out and returned to a Dakota producer. Unocal wishes to perforate, fracture stimulate and test the well in the Mesaverde interval and if productive, complete the well as a Dakota/Mesaverde producer.

Application has been made to the State of New Mexico, Oil Conservation Division for an unorthodox Dakota/Mesaverde location for this well.

14. I hereby certify that the foregoing is true and correct

Signed

Title Drilling Superintendent

Date 12-29-94

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

APPROVED

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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

NMOCID

Blm
AD
②



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

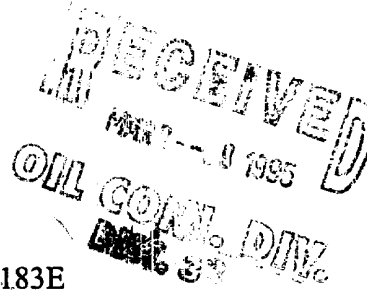
OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

COMMINGLING ORDER PC-902

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

Attention: Brett H. Liggett

LEASE NAME: Rincon Unit Well No. 183E
DESCRIPTION: S/2, Section 31, Township 27 North, Range 6 West, NMPM
Rio Arriba County, New Mexico

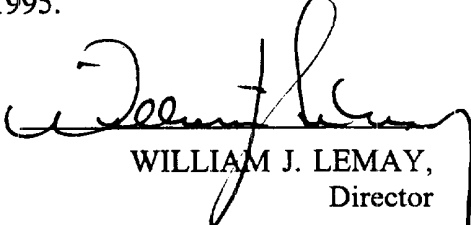


The above-named company is hereby authorized to commingle Blanco Mesaverde and Basin Dakota Pool liquid hydrocarbon production in a common tank battery and to determine the production from each pool by an allocation factor. Such allocation factor shall be determined by initial production tests and by production tests conducted bi-annually thereafter.

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

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 6th day of March, 1995.


WILLIAM J. LEMAY,
Director

WJL/BES

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