

NMNM 78406C (GC)  
NMNM 78406D (GC)  
3162.3-2 (070)

JUL 15 1993

Glenn O. Papp  
Unocal Oil and Gas Division  
3300 North Butler Avenue  
Suite 200  
Farmington, NM 87401

Dear Mr. Papp:

We have reviewed your application to co-mingle downhole production from the Basin Dakota and the Blanco Mesaverde formations in the following well:

Rincon Unit No. 158M  
1535' FSL, 1480' FEL  
sec. 22, T.27 N., R. 6 W.  
Rio Arriba County  
New Mexico

The well was completed November 17, 1992 as a multiple completion in both the Dakota and Mesaverde formation. Well conditions supportive of downhole co-mingling of production have been met in the referenced well.

Natural gas production reported on form C-116 was adjusted to a common back pressure to obtain an equitable allocation factor. The allocation factors contained in the application, Natural gas: Dakota 51%, Mesaverde 49% were reviewed and found to be accurate. Neither formation produces oil at this time. The allocation factor for future oil production (if any) will be 50% for each formation.

Your application is hereby approved effective November 17, 1992. Please comply with New Mexico Oil Conservation Division (NMOCD) guidelines when reporting the allocated production.

If you have any questions regarding this approval, please contact Ray Hager at (505) 599-6366.

Sincerely,

/s/ Duane Spencer

Duane Spencer  
Chief, Branch of Reservoir Management

cc:  
MMS, Denver  
NMOCD, Santa Fe  
NMOCD, Aztec