



November 9, 1998

U.S. Department of the Interior  
Bureau of Land Management  
1235 La Plata Highway  
Farmington, NM 87401

Commissioner of Public Lands  
State of New Mexico  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

New Mexico Oil Conservation Division  
District III  
1000 Rio Brazos Road  
Aztec, NM 87505  
Cc: NMOCD, Santa Fe, NM

NOV 12 1998

**Re: Amended DHC-913  
Production Allocation  
Rincon Unit 137E: DK/GL**

Gentlemen,

In accordance with **Amended DHC Order-913 (4-14-98)**, Union Oil Company of California (UNOCAL) performed a production test on the Gallup horizon in the Rincon Unit Well No. 137E. Unocal recommends that the allocated percentages remain the same as approved by **DHC Order-913 issued September 17<sup>th</sup>, 1993**. Copies of these orders are provided as attachments.

Based on the above, Unocal's recommends that 19% of the commingled Dakota / Gallup gas volume continue to be allocated to the Gallup horizon. The remaining volume, based upon the approved decline rate for the combined horizons, will comprise the Dakota volume.

If you have any questions, please contact Heather Dahlgren at 915/685-7665.

Sincerely,

**Spirit Energy 76**  
*A Business Unit of UNOCAL*

Heather Dahlgren  
Engineering Technician