

NSL 3379A

Unocal Oil & Gas Division
Unocal Corporation
900 Werner Court, P.O. Box 2620
Casper, Wyoming 82602-2620
Telephone (307) 234-1563

OIL CONSERVATION DIVISION
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'95 JAN 24 AM 8 52



January 16, 1995

State of New Mexico
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, NM 87503

N/2

Gentlemen:

Union Oil Company of California (UNOCAL) requests permission for a non-standard Basin Dakota/Blanco Mesa Verde location for Unocal's existing Rincon Unit #303 well. The well is located 2180' FNL, 535' FWL, Section 33, T27N, R7W.

The well was originally permitted (with State and BLM approval) as a non-standard Basin Dakota/Largo Gallup location. The well was spudded 6/13/94 and TD'd at 7740' on 7/2/94. The well was logged and production casing was run and cemented. The Burro Canyon was perforated, fracture stimulated, and tested. The Burro Canyon was squeezed after testing showed it was non-productive. The Dakota/Graneros was perforated, fracture stimulated and tested. The well was completed as a Dakota/Graneros producer.

Logs indicate the Largo Gallup to be non-productive and Unocal wishes to perforate, fracture stimulate, and test the well in the Mesa Verde interval, and if productive, complete the well as a Dakota/Mesa Verde producer.

The offset lease owners, Meridian Oil, Amax Oil and Gas, DeKalb Energy, and Amoco have been contacted by certified letter requesting Waiver of Objection to the proposed unorthodox location.

If you have any questions, please contact me at (307) 234-1563, Ext. 116. Thank you for your help in this matter

Sincerely,

Jim Benson
Drilling Superintendent

cc: Ernie Busch
Aztec, New Mexico

1-25-95
left message for
Benson to send
copy of the C-101/C102
on this well.



OIL CONSERVATION DIVISION



January 24, 1995

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

Attention: Jim Benson

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
827-7465

Amended Administrative Order NSL-3412

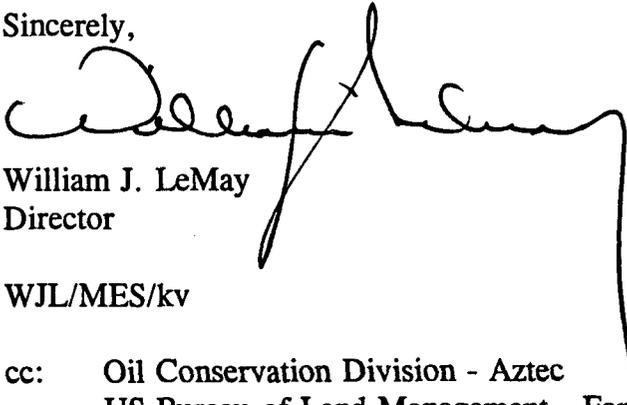
UNOCAL

January 24, 1995

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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', written over a horizontal line. The signature is fluid and cursive, with a long horizontal stroke at the end that loops back under the line.

William J. LeMay
Director

WJL/MES/kv

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

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2098
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 26, 1994

Union Oil Company of California (UNOCAL)
P.O. Box 2620
Casper, WY 82602-2620

Attention: Jim Benson

Administrative Order NSL-3379

Dear Mr.. Benson:

Reference is made to your application dated February 16, 1994 for an unorthodox gas well location for both the Basin-Dakota and Undesignated Largo-Gallup Pools for your proposed Rincon Unit Well No. 303. Said well is to be drilled 2180 feet from the North line and 535 feet from the West line (Unit E) of Section 33, Township 27 North, Range 7 West, NMPM Rio Arriba County, New Mexico.

The S/2 of said Section 33 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both pools.

By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Basin-Dakota Pool, as promulgated by Division Order No. R-8170, as amended; the applicable rules governing the Largo-Gallup Pool under Division Order No. R-2462, as amended; and General Rule 104.F(1), the aforementioned unorthodox gas well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long, sweeping underline that extends down the page.

William J. LeMay
Director

WJL/MES/amg

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

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: UNOCAL (NSL)
Date: Thu, Feb 2, 1995 10:31AM
Priority: High

RINCON #303
2180' FNL; 535' FWL
33-27N-07W
RECOMMEND: APPROVAL