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March 27, 1990

HAND-DELIVERED

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William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

MAR 27 1990

OIL CONSERVATION DIV.  
SANTA FE

9911

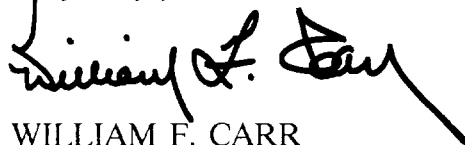
Re: Application of Union Oil Company of California for a Highly Deviated  
Directional Drilling Project, Rio Arriba County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the application of Union Oil Company of California in the above-referenced case. Union Oil Company of California respectfully requests that this matter be set on the April 18, 1990 Examiner hearing docket. Also enclosed is a draft of an advertisement for this case.

Your attention to this request is appreciated.

Very truly yours,

  
WILLIAM F. CARR

WFC:mlh  
Enclosures

cc w/enclosures: Mr. Bill Hering  
Union Oil Company of California  
Post Office Box 850  
Bloomfield, New Mexico 87413

CASE: 9911 Application of Union Oil Company of California for a highly deviated

directional drilling project and exception to Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, Rio

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OIL CONSERVATION DIV.  
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Arriba County, New Mexico. Applicant in the above styled cause, seeks authority to initiate a highly deviated directional drilling project in the N/2 of Section 20, Township 27 North, Range 6 West, forming a standard 320-acre gas spacing unit in the Basin-Fruitland Coal Gas Pool by commencing its Rincon Unit No. 254 Well at a standard surface location 1581 feet from the North line and 1929 feet from the East line of said Section 20 and drilling to a true vertical depth of 2250 feet and then commencing a medium radius curve in a westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3040 feet and then to a total depth at a true vertical depth of approximately 3100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20 being no closer than 790 feet from the outer boundary of the spacing or proration unit. This unit is located approximately 10 miles South-Southwest of Gubernador, New Mexico.

CASE: 9911 Application of Union Oil Company of California for a highly deviated directional drilling project and exception to Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. Applicant in the above styled cause, seeks authority to initiate a highly deviated directional drilling project in the N/2 of Section 20, Township 27 North, Range 6 West, forming a standard 320-acre gas spacing unit in the Basin-Fruitland Coal Gas Pool by commencing its Rincon Unit No. 254 Well at a standard surface location 1581 feet from the North line and 1929 feet from the East line of said Section 20 and drilling to a true vertical depth of 2250 feet and then commencing a medium radius curve in a westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3040 feet and then to a total depth at a true vertical depth of approximately 3100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20 being no closer than 790 feet from the outer boundary of the spacing or proration unit. This unit is located approximately 10 miles South-Southwest of Gobernador, New Mexico.

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OIL CONSERVATION DIV  
SANTA FE

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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IN THE MATTER OF THE APPLICATION  
OF UNION OIL COMPANY OF CALIFORNIA  
FOR A HIGHLY DEVIATED DIRECTIONAL  
DRILLING PILOT PROJECT,  
RIO ARriba COUNTY, NEW MEXICO.

MAR 27 1990

OIL CONSERVATION DIV.

SANTA FE  
CASE NO. 9911

**APPLICATION**

UNION OIL COMPANY OF CALIFORNIA, by and through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, forming a standard 320-acre coal gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool by drilling its Rincon Unit No. 254 Well at a standard surface location 1,581 feet from the North line and 1,929 feet from the East line of Section 20 and drilling to an entry point in the Basin-Fruitland Coal Gas Pool at approximately 2,920 feet true vertical depth and then in a Southerly direction at an angle to encounter the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 to a terminus at a standard bottom hole location in the NW/4 of Section 20. This well is located approximately ten miles South-Southwest of Gubernador, New Mexico and in support thereof states:

1. Applicant is the operator of and a working interest owner in the Rincon Unit and proposes to drill its Rincon Unit No. 254 Well at a standard surface location 1,581

feet from the North line and 1,929 feet from the East line of Section 20, Township 27 North, Range 6 West

2. The Rincon Unit No. 254 Well will be drilled vertically to a kickoff point at a true vertical depth of approximately 2,250 feet. Applicant will then use a medium radius curve and directionally drill in a Westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2,920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 feet and then to a true vertical depth of approximately 3,100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20. The bottom hole location will be no closer than 790 feet to the outer boundary of the spacing or proration unit.

3. A standard spacing unit for the Basin-Fruitland Coal Gas Pool comprised of the N/2 of Section 20 will be dedicated to the Rincon Unit No. 254 Well.

4. Approval of this application will permit Applicant to determine if this type of wellbore and completion in the Basin-Fruitland Coal Gas Pool will result in the recovery of substantially greater volumes of hydrocarbons from this pool, than would be recovered by a conventional well completion, thereby increasing ultimate recovery from this pool and preventing waste.

5. Granting this application will be in the best interest of conservation and the protection of correlative rights.

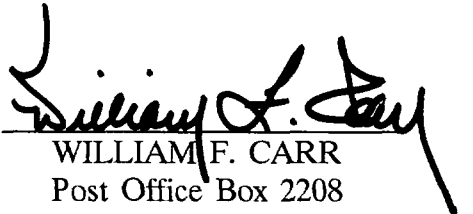
WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice

be given as required by law and the Rules of the Division, and that the Division enter its Order granting applicant authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:

  
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR UNION OIL  
COMPANY OF CALIFORNIA

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BEFORE THE

MAR 27 1969

OIL CONSERVATION DIVISION

OIL CONSERVATION DIV  
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF UNION OIL COMPANY OF CALIFORNIA  
FOR A HIGHLY DEVIATED DIRECTIONAL  
DRILLING PILOT PROJECT,  
RIO ARriba COUNTY, NEW MEXICO.

CASE NO. 9911

APPLICATION

UNION OIL COMPANY OF CALIFORNIA, by and through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, forming a standard 320-acre coal gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool by drilling its Rincon Unit No. 254 Well at a standard surface location 1,581 feet from the North line and 1,929 feet from the East line of Section 20 and drilling to an entry point in the Basin-Fruitland Coal Gas Pool at approximately 2,920 feet true vertical depth and then in a Southerly direction at an angle to encounter the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 to a terminus at a standard bottom hole location in the NW/4 of Section 20. This well is located approximately ten miles South-Southwest of Gobernador, New Mexico and in support thereof states:

1. Applicant is the operator of and a working interest owner in the Rincon Unit and proposes to drill its Rincon Unit No. 254 Well at a standard surface location 1,581

feet from the North line and 1,929 feet from the East line of Section 20, Township 27 North, Range 6 West

2. The Rincon Unit No. 254 Well will be drilled vertically to a kickoff point at a true vertical depth of approximately 2,250 feet. Applicant will then use a medium radius curve and directionally drill in a Westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2,920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 feet and then to a true vertical depth of approximately 3,100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20. The bottom hole location will be no closer than 790 feet to the outer boundary of the spacing or proration unit.

3. A standard spacing unit for the Basin-Fruitland Coal Gas Pool comprised of the N/2 of Section 20 will be dedicated to the Rincon Unit No. 254 Well.

4. Approval of this application will permit Applicant to determine if this type of wellbore and completion in the Basin-Fruitland Coal Gas Pool will result in the recovery of substantially greater volumes of hydrocarbons from this pool, than would be recovered by a conventional well completion, thereby increasing ultimate recovery from this pool and preventing waste.

5. Granting this application will be in the best interest of conservation and the protection of correlative rights.

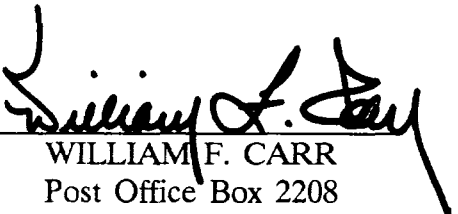
WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice



be given as required by law and the Rules of the Division, and that the Division enter its Order granting applicant authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR UNION OIL  
COMPANY OF CALIFORNIA

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BEFORE THE

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OIL CONSERVATION DIVISION

OIL CONSERVATION DIV.  
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF UNION OIL COMPANY OF CALIFORNIA  
FOR A HIGHLY DEVIATED DIRECTIONAL  
DRILLING PILOT PROJECT,  
RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. 9911

**APPLICATION**

UNION OIL COMPANY OF CALIFORNIA, by and through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, forming a standard 320-acre coal gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool by drilling its Rincon Unit No. 254 Well at a standard surface location 1,581 feet from the North line and 1,929 feet from the East line of Section 20 and drilling to an entry point in the Basin-Fruitland Coal Gas Pool at approximately 2,920 feet true vertical depth and then in a Southerly direction at an angle to encounter the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 to a terminus at a standard bottom hole location in the NW/4 of Section 20. This well is located approximately ten miles South-Southwest of Gobernador, New Mexico and in support thereof states:

1. Applicant is the operator of and a working interest owner in the Rincon Unit and proposes to drill its Rincon Unit No. 254 Well at a standard surface location 1,581

feet from the North line and 1,929 feet from the East line of Section 20, Township 27 North, Range 6 West

2. The Rincon Unit No. 254 Well will be drilled vertically to a kickoff point at a true vertical depth of approximately 2,250 feet. Applicant will then use a medium radius curve and directionally drill in a Westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2,920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3,040 feet and then to a true vertical depth of approximately 3,100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20. The bottom hole location will be no closer than 790 feet to the outer boundary of the spacing or proration unit.

3. A standard spacing unit for the Basin-Fruitland Coal Gas Pool comprised of the N/2 of Section 20 will be dedicated to the Rincon Unit No. 254 Well.

4. Approval of this application will permit Applicant to determine if this type of wellbore and completion in the Basin-Fruitland Coal Gas Pool will result in the recovery of substantially greater volumes of hydrocarbons from this pool, than would be recovered by a conventional well completion, thereby increasing ultimate recovery from this pool and preventing waste.

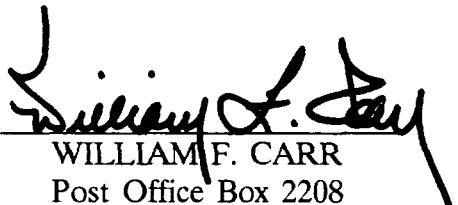
5. Granting this application will be in the best interest of conservation and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice

be given as required by law and the Rules of the Division, and that the Division enter its Order granting applicant authority to initiate a highly deviated directional drilling pilot project in the N/2 of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

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WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR UNION OIL  
COMPANY OF CALIFORNIA

CASE: \_\_\_\_\_ Application of Union Oil Company of California for a highly deviated directional drilling project and exception to Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. Applicant in the above styled cause, seeks authority to initiate a highly deviated directional drilling project in the N/2 of Section 20, Township 27 North, Range 6 West, forming a standard 320-acre gas spacing unit in the Basin-Fruitland Coal Gas Pool by commencing its Rincon Unit No. 254 Well at a standard surface location 1581 feet from the North line and 1929 feet from the East line of said Section 20 and drilling to a true vertical depth of 2250 feet and then commencing a medium radius curve in a westerly direction to encounter the top of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 2920 feet at which point the wellbore will be drilled to the base of the Basin-Fruitland Coal Gas Pool at a true vertical depth of approximately 3040 feet and then to a total depth at a true vertical depth of approximately 3100 feet with a terminus at a standard bottom hole location in the NW/4 of Section 20 being no closer than 790 feet from the outer boundary of the spacing or proration unit. This unit is located approximately 10 miles South-Southwest of Gobernador, New Mexico.

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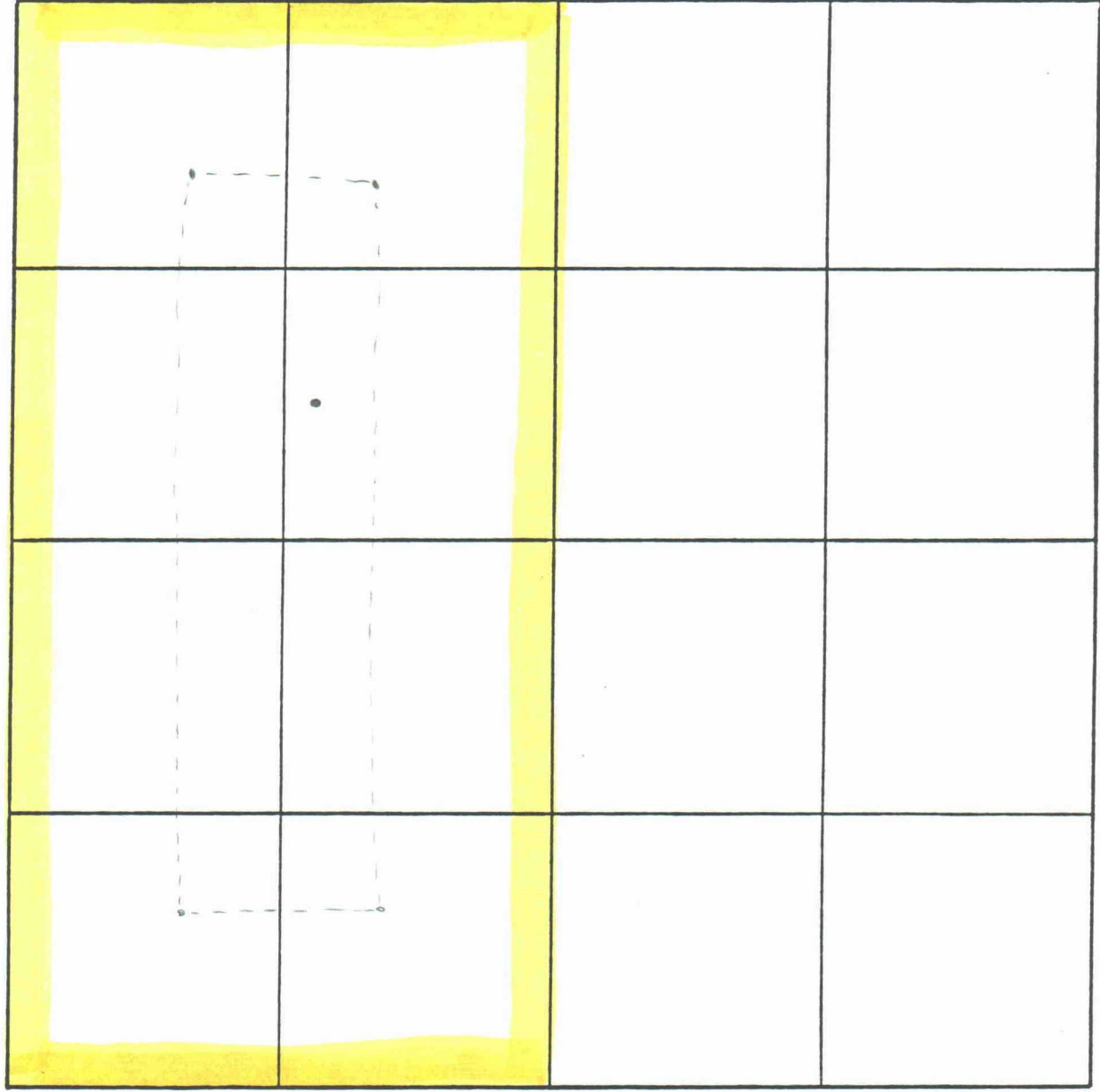
MAR 27 1998

OIL CONSERVATION DIV.  
SANTA FE

[illegible]

6 lines

Standard 640 acre Section



SECTION 20

TOWNSHIP 27 North

RANGE 6 West