State of New Mexico



W.R. HUMPHRIES



Commissioner of Public Lands

SLO REF NO 0G-731

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

March 24, 1988

Unocal Oil & Gas Division ATTN: Mr. Lon H. Pardue P. O. Box 2620 Casper, Wyoming 82602-2620

> Re: 1988 Plan of Development Rincon Unit Rio Arriba County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1988 Plan of Development for the above captioned unit area.

Our approval is subject to like approval by all other appropraiate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to cal! on us.

Very truly yours,

W. R. HUMPHRIES COMMISSIONER OF PUBLIC LANDS

7-Coyd le BY:

FLOYD O. #RANDO, Director Oil and Gas Division (505) 827-5744

WRH/FOP/pm encls. cc: OCD BLM Unocal Oil & Gas Division Unocal Corporation 900 Werner Court, P.O. Box 2620 Casper, Wyoming 82602-2620 Telephone (307) 234-1563

UNOCAL®

March 8, 1988

U.S. Dept. of the Interior Bureau of Land Management Branch of Fluid MInerals 435 Montano Road N.E. Albuquerque, NM 87197-6770

Commissioner of Public Lands State of New Mexico P.O. Box 1148 Santa Fe, NM 87501

Oil Conservation Divison State of New Mexico P.O. Box 2088 Santa Fe, NM 87501

Re: 1988 Plan of Development Rincon Unit Rio Arriba County, New Mexico

Gentlemen:

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Union Oil Company of California is the operator of the Rincon Unit, Rio Arriba County, New Mexico. Following is the 1940 Plan of Development for the Rincon Unit.

We propose the drilling and completion of seven (7) Basin Dakota infill wells and three (3) Basin Dakota/Blanco Mesaverde dual infill wells. The proposed locations are presented below:

Completion Interval	Location
Dakota	SE/4 Sec. 6, T26N, R6W
Dakota	SE/4 Sec. 16, T27N, R6W
Dakota/Mesaverde	NW/4 Sec. 18, T27N, R6W
Dakota/Mesaverde	NW/4 Sec. 20, T27N, R6W
Dakota	SE/4 Sec. 26, T27N, R6W
Dakota/Mesaverde	SE/4 Sec. 27, T27N, R6W
Dakota	SE/4 Sec. 28, T27N, R6W
Dakota	NE/4 Sec. 30, T27N, R6W
Dakota	SE/4 Sec. 13, T27N, R7W
Dakota	SE/4 Sec. 25, T27N, R7W

Union Oil believes that all unit drilling obligations have been met; however, additional wells to prevent drainage or meet any other regulatory or legal requirement will be drilled as the need arises. This plan has been sent to each working interest owner.

Yours very truly,

Yon N. Vardue

'Lon H. Pardue District Operations Manager

WH:jh

Rincon Unit Wells

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Pictured Cliffs Plugged and Abandoned		3
Pictured Cliffs in P.A.		103
Pictured Cliffs/Chacra Duals in P.A.		1
Pictured Cliffs/Mesaverde Duals in P.A.		9
Mesaverde in P.A.		28
Mesaverde Non-P.A.		2
Mesaverde/Chacra Duals in P.A.		4
Mesaverde/Dakota Duals in P.A.		6
Mesaverde/Dakota Duals Non-P.A.		5
Dakota in P.A.		47
Dakota Non-P.A.		1
Gallup/Dakota Dual in P.A.		1
Chacra in P.A.		8
	TOTAL	218

State of New Mexico



SLO REF. NO. OG-339

W.R. HUMPHRIES COMMISSIONER

Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

August 17, 1987

Union Oil Company of CA Attention: Lon H. Pardue P. O. Box 2620 Casper, Wyoming 82602-2620

> Re: Rincon Unit 1987 Plan of Development

Gentlemen:

The Commissiner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all appropriate agencies.

If we may be of further help, please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES COMMISSIONER OF PUBLIC LANDS Concice V

BY: FLOYD O. PRANDO, Director Oil & Gas Division (505) 827-5744

WRH/FOP/ams enclosure cc:BLM - Albuquerque, New Mexico Oil Conservation Division

Bureau of Land Management Miaerals Division 435 Montano NE Albuquerque, NM 87107

- Contraction JUH - 1 1937 $< 1^{2}, 1^{2}, 1^{2}, 2^{2}$

Rincon (POD) 3180 (015)

MAY 2 6 1987

Union Oli Company of California ATTN: Lon H. Parque P.O. Box 2620 Casper, WY 82602-2620

Gentlement

One approved copy of your 1987 Plan of Development for the Rincon Unit area, Rio Arriba County, New Nexico is enclosed. Such plan, proposing no drilling during 1987, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Shirley Bryant at the above address or telephone (505) 761-4503.

Sincerely,

tona Signed) - Sid Vogelpolit

Assistant District Manager Mineral Resources

Enclosure

cc: NM-016 MMOCD Comm. of Put. Lands 015:SBryant:klm:5-16-87:3081M Unocal Oil & Gas Division Unocal Corporation 900 Werner Court, P.O. Box 2620 Casper, Wyoming 82602-2620 Telephone (307) 234-1563

UNOCAL⁵⁰ February 20, 1987

U.S. Dept. of the Interior Bureau of Land Management Branch of Fluid Minerals 435 Montano Road N.E. Albuquerque, NM 87197-6770

Commissioner of Public Lands State of New Mexico P.O. Box 1148 Santa Fe, NM 87501

Oil Conservation Division State of New Mexico P.O. Box 2088 Santa Fe, NM 87501

Re: 1987 Plan of Development 1986 Review of Operations Rincon Unit Rio Arriba County, New Mexico

Gentlemen:

Following is the 1986 Review of Operations and the 1987 Plan of Development for the Rincon Unit, Rio Arriba County, New Mexico.

1986 Review of Operations. Union Oil Company of California assumed responsibility as unit operator on May 1, 1986. Production operations are currently handled by Union personnel officed in Bloomfield, New Mexico. Given the current reduced market demand, unit production was curtailed resulting in the shut-in of many unit wells during the year. Attached is a compilation of pertinent well data for the unit.

1987 Plan of Development. No new drilling wells are proposed for 1987. Union Oil believes that all unit drilling obligations have been fulfilled, but wells to prevent drainage or meet any other regulatory or legal requirement will be drilled as the need arises. This plan has been forwarded to each unit working interest owner.

Yours very truly,

Ŭ Lon H. Pardue

District Operations Manager

WH:jh

Rincon Unit Wells

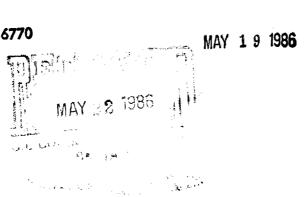
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Pictured Cliffs in P.A.	103
Pictured Cliffs/Chacra Duals in P.A.	1
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Mesaverde in P.A.	28
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Mesaverde/Dakota Duals Non-P.A.	5
Dakota in P.A.	47
Dakota Non-P.A.	1
Gallup/Dakota Dual in P.A.	1
Chacra in P.A.	8
TOTAL	218

Bureau of Land Management Albuquerque District Office Minerals Division P.O. Box 6770 Albuquerque, NM 87197-6770

Rincon Unit POD 3180 (015)



Meridian Oil ATTN: Alan Alexander P.O. Box 4289 Farmington, NM 87499

Gentlemen:

Two approved copies of your 1986 Plan of Development for the Rincon Unit area, Rio Arriba County, New Mexico are enclosed. Such plan, proposing the drilling of no wells during calendar year 1986, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

The possibility of drainage by wells outside of the unit boundary may exist. You will be contacted at a later date about this possibility.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 766-2841.

Sincerely,

(Ôrig. Signed) - Sid Vogelpohl

For District Manager

Enclosure(s)

cc: Micrographics 943B-1 Fluids Section FRAH NMOCD, Santa Fe Comm. of Pub. Lands, Santa Fe O&G Chron

015:GKeller:klm:5-13-86:1868M

50 YEARS



TONEY ANAYA

SOVERNOR

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT DIL CONSERVATION DIVISION

May 1, 1986



POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Union Oil and Gas P. O. Box 671 Midland, Texas 79701

Attention: Larry Murphy

Re: Rincon Unit Redesignation of Unit Operator and Designation of Successor Unit Operator San Juan Basin Rio Arriba County, New Mexico

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

RCY E. JOHNSON, Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe Bureau of Land Management - Albuquerque

. . . .

THIS AGREEMENT is entered into by and between El Paso Natural Gas Company, Union Oil Company of California and the owners of unitized working interests, hereinafter designated individually as "Non-Operator" and collectively as "Non-Operators";

WITNESSETH, THAT:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative has approved the Unit Agreement dated June 1, 1951 for the Development and Operation of the Rincon Unit Area, Rio Arriba County, New Mexico.

WHEREAS, El Paso Natural Gas Company is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, Union Oil Company of California has been and hereby is designated by Non-Operators as Unit Operator (and by El Paso where El Paso retains any working interest in the Unit Area) and Union Oil Company of California desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Union Oil Company of California hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Non-Operators covenant and agree that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Union shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

UNION OIL COMPANY OF CALIFORNIA

EL PASO NATURAL GAS COMPANY

ames By: Attorney-in-Fact

TENNECO OIL COMPANY

W. Cayce, Jr., forney-in-Fact

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H. R. STASNEY AND SONS COMPANY

By: _____

WISER OIL COMPANY

Ву:

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STATE OF TEXAS, COUNTY OF MIDLAND.

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The foregoing instrument was acknowledged before me this $\frac{2}{25}$ day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

X X X

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

My Commission Expires: 11-30-88

Notary Public

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THE STATE OF TEXAS COUNTY OF <u>Kaso</u>	
BEFORE ME, the undersigned a	uthority, on this day personally appeared
instrument and acknowledged to me that said <u>I have Metternel</u> for the purposes and consideration the stated.	er whose name is subscribed to the foregoing the executed the same as the act and deed of <u>Man Convent</u> , a corporation, erein expressed, and in the capacity therein
	L of office, this the $\frac{1}{2}$ day of
<u>Y M. D. 19 37</u>	- •
	Notary Fublic in and for <u>Southern</u> County, Texas.
TATE OF)) ss.	ACKNOWLEDGEMENT - CORPORATION
COUNTY OF ARAPAHOE)	, 19_86, before me, a notary public in
On this <u>2nd</u> day of <u>April</u> and for the above County and State, pers	
nown_to me"to, be theAttorney-in-Fact	t of Tenneco Oil Company
ly commission expires:	Marlatte Hanagan) Notary Public Residing at: Nexael alarge
	Notary Public in and for County, Texas.
THE STATE OF New Mexico COUNTY OF Lea	
	authority, on this day personally appeared
known to me to be the person and offic instrument and acknowledged to me that said Conoco Inc.	cer whose name is subscribed to the foregoing t he executed the same as the act and deed of , a corporation, erein expressed, and in the capacity therein
April A. D.	1 of office, this the $\partial \partial^{nd}$ day of . 1986.
NY Commissions Expires	Notary Public in and for Lea County, Termin
OF HELLEGIE	New Maxico.

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WITNESSETH, THAT:

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WHEREAS, El Paso Natural Gas Company is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS. Union Oil Company of California has been and hereny is designated by Non-Operators as Unit Operator (and by El Paso where El Paso retains any working interest in the Unit Area) and Union Oil Company of California desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Union Oil Company of California hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Non-Operators covenant and agree that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Union shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

ILLEGIBLE

By: _______

EL PASO NATURAL GAS COMPANY

UNION OIL COMPANY OF CALIFORNIA

Attorney-in-Fact

TENNECO OIL COMPANY

By:

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CONOCO, INC.

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Ву:

JONES COMPANY

Vah By:

BERYL BARRETT McMAHAN, Independent Executor of the Estate of William Calvin McMahan, Deceased

By:	
-	

H. R. STASNEY AND SONS COMPANY

By: _____

WISER OIL COMPANY

By:

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STATE OF TEXAS, I I COUNTY OF MIDLAND, I

The foregoing instrument was acknowledged before me this $\frac{z}{z}$ day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the may and year above written.

My Commission Supires: 11-30-38

Note

VANTO JONES Control Jones Manual Co. Texas

ILLEGIBLE

	THE STATE OF TEXAS	
i	COUNTY OF FI Taso	
	BEFORE ME, the ur	dersigned authority, on this day personally appeared
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		on and officer whose name is subscribed to the foregoing
	instrument and soknowledged	to me that he executed the same as the act and deed of
	said // The In The	Fridal Man Conduct. a corporation,
	for the purposes and consid	eration therein expressed, and in the associat therein
	stated.	and seal of office. this the $\frac{1}{2}$ day of
	Given under my ha	nd and seal of office, this the Min day of
	MARCH, 1	U. D. 19 S/a.
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	<u> </u>	Notary Public in and for State
	<u> </u>	County, Texas.
	THE STATE OF TELAS	
	country of Shueke ford	
		· · · · · · · · · ·
	•	idersigned authority, on this day personally appeared
	A.U. Jon	<u>e Jr</u>
	A. J. Jon known to me to be the perso	on and officer whose name is subscribed to the foregoing
	A.V. Jon known to me to be the perso instrument and acknowledges	on and officer whose name is subscribed to the foregoing i to me that he executed the same as the act and deed of
	A.V. Jon known to me to be the perso instrument and acknowledges	on and officer whose name is subscribed to the foregoing i to me that he executed the same as the act and deed of
	A.V. Jon known to me to be the perso instrument and acknowledged said Managing Rus	on and officer whose name is subscribed to the foregoing
	A.V. Xon known to me to be the perso instrument and acknowledges said <u>Managing Rev</u> for the purposes and consist stated	and officer whose name is subscribed to the foregoing i to me that he executed the same as the act and deed of ther of Jones (Ammanu, a Partnership, ieration therein expressed, and in the capacity therein
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	A 1. Jon known to me to be the perso instrument and acknowledged said <u>Managing</u> Rus for the purposes and consid- stataduming NY Platten under my ha	and and seal of office, this the <u>loth</u> day of
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and the second	A 1. Jon known to me to be the perso instrument and acknowledged said <u>Managing</u> Rus for the purposes and consid- stataduming NY Platten under my ha	and and seal of office, this the <u>loth</u> day of
	A 1. Jon known to me to be the perso instrument and acknowledged said <u>Managing</u> Rus for the purposes and consid- stataduming NY Platten under my ha	and and seal of office, this the <u>loth</u> day of
	A 1. Jon known to me to be the perso instrument and acknowledged said <u>Managing</u> Rus for the purposes and consid- stataduming NY Platten under my ha	and and seal of office, this the <u>loth</u> day of
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	A 1. Jon known to me to be the perso instrument and acknowledged said <u>Managing</u> Rus for the purposes and consid- stataduming NY Platten under my ha	and and seal of office, this the <u>loth</u> day of <u>ADDAUTE TAGGART</u> , Notary Public <u>County</u> , Texas. <u>CHARLOTTE TAGGART</u> , Notary Public
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A MARTING CONTRACT OF CONTRACT.	known to me to be the perso instrument and acknowledge said <u>Managing Pay</u> for the purposes and consist statadumine NRY Platten under my have NRY Platten under my have OF TEL	and and seal of office, this the <u>loth</u> day of
1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 -	A Jon known to me to be the perso instrument and acknowledge said <u>Managing Pay</u> for the purposes and consis- statadum NEY Platten under my have OF I THE STATE OF TEXAS COUNTY OF	and and seal of office, this the <u>lock</u> day of . A. D. 19 <u>86</u> . <u>County</u> , Texas. <u>Charlotte TAGGART</u> , Notary Public In and for the State of Texas <u>My Commission Expires <u>OS</u>[<u>AG</u>[<u>K7</u>]</u>
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known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and ieed of said ________, a corporation, for the purposes and consideration therein expressed, and in the capacity therein stated. _______ Given under my hand and seal of office, this the ______ day of ______, A. D. 19______.

ILLEGIBLE

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Notary Public in and for _ County, Texas.

THIS AGREEMENT is entered into by and between El Paso Natural Gas Company, Union Oil Company of California and the owners of unitized working interests, hereinafter designated individually as "Non-Operator" and collectively as "Non-Operators";

WITNESSETH, THAT:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative has approved the Unit Agreement dated June 1, 1951 for the Development and Operation of the Rincon Unit Area, Rio Arriba County, New Mexico.

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WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

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THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

UNION OIL COMPANY OF CALIFORNIA

ILLEGIBLE

By: <u>Attornoy-in-Fact</u>

RE PAGE 11. TE 181 C LA COMPANY EL PASO NATURAL GAS COMPANY

ames R Reimente By: Attorney-in-Fact

TENNECO OIL COMPANY

By:

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CONOCO, INC.
By:
JONES COMPANY
Ву:
BERYL BARRETT MCMAHAN, Independent Executor of the Estate of William Calvin McMahan, Deceased By: <u>Kunff Bactut McMahan</u>
H. R. STASNEY AND SONS COMPANY
By:
WISER OIL COMPANY

Ву:

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STATE OF TEXAS, I I COUNTY OF MIDLAND. I

The foregoing instrument was acknowledged before me this $\frac{25}{25}$ day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the my and year above written.

My Commission Expires:

Notary Rublic:

MANTO JONES Courty Public Sacance Co. Terms

ILLEGIBLE

FEXAS FORE ME, the undersigned authority, on this day personally appeared c. A. Marrie at the executed the same as the ast and deed of c. Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Marrie at the executed the same as the councily therein Yes Yes Yes Marrie at the executed the same as the ast and deed of Marrie at the same as the ast and for the executed the same as the ast and deed of Marrie at the executed the same as the ast and deed of Motary Public in and for, a corporation, coses and consideration therein expressed, and in the capacity therein Yen under my hand and seal of office, this the day of
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THE STATE OF TEXAS

SINGLE ACKNOWLEDGMENT

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared BERYL B. MCMAHAN,

snown to me to be the identical person whose name xame/is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

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GIVEN UNDER HAND	AND SEAL OF OFFI	CE this the 22nd	day of	April,A	.D. 19 <u>86</u>
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y Commission expires	July 16, ,	1988 Notary Pub	Lic in and for		
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THE STATE OF TEXAS	Т. Х				
			SINGLE	ACKNOWLEDGMENT	
COUNTY OF	ĭ				
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BEFORE ME, the undersigned authority, on this day personally appeared _____

known to me to be the identical person whose name are/is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

. •

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, A.D. 19____

.

My Commission expires _______, 19 Notary Public in and for ______ County, Texas

THIS AGREEMENT is entered into by and between El Paso Natural Gas Company, Union Oil Company of California and the owners of unitized working interests, hereinafter designated individually as "Non-Operator" and collectively as "Non-Operators";

WITNESSETH, THAT:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 3, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative has approved the Unit Agreement dated June 1, 1951 for the Development and Operation of the Rincon Unit Area, Rio Arriba County, New Mexico.

WHEREAS, El Paso Natural Gas Company is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, Union Oil Company of California has been and hereby is designated by Non-Operators as Unit Operator (and by El Paso where El Paso retains any working interest in the Unit Area) and Union Oil Company of California desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Union Oil Company of California hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Non-Operators covenant and agree that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Union shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

UNION OIL COMPANY OF CALIFORNIA

ILLEGIBLE

By: ______

RE PAGE MUTERAL DIA COMPANY EL PASO NATURAL GAS COMPANY

Attorney-in-Fact

TENNECO OIL COMPANY

By:

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CONOCO, INC.
By:
JONES COMPANY
Ву:
BERYL BARRETT McMAHAN, Independent Executor of the Estate of William Calvin McManan, Deceased
Ву:
H. R. STASNEY AND SONS COMPANY
By: 74R. STASNEY H. R. STASNEY MANAGING PARTNER
WISER OIL COMPANY
Ву:

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STATE OF TEXAS, X X COUNTY OF MIDLAND. . X

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The foregoing instrument was acknowledged before me this $\frac{z'}{25}$ day of day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official 2 seal the day and year above written.

;ea. -My Commission Expires: 11-30-38

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ave tome Notary Public:

NUTO JOMES and da Terre

ILLEGIBLE

THE STATE OF TEXAS COUNTY OF FY YESS

BEFORE ME, the undersigned authority, on this day personally appeared 1 someo, R. Berneuter. Attancemen Zat known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of said El Anno Mc Final Han Conduch. a corporation, for the purposes and consideration therein expressed, and in the capacity therein MARCh , A. D. 19 8/2. Mare Brow Same Dire <u>9-21-87</u> Notary Public in and for

THE STATE OF TEXAS COUNTY OF SHACKELFORD

. . .

SEFORE ME, the undersigned authority, on this day personally appeared H. R. STASNEY, MANAGING PARTNER

known to me to be the person anxxx from whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of <u>H. R. STASNEY & SONS COMPANY</u> ____, a xaxycraxion, partnershi for the purposes and consideration therein expressed, and in the capacity therein stated. Given under my hand and seal of office, this the 22nd day of No. April

_____, A. D. 19<u>86</u> .

LINDA DAVIS

County, Texas.

Notary Public in and for Shackelford County, Texas. My Commission Expires: 10-7-89

THE STATE OF TEXAS

COUNTY OF ____

BEFORE ME, the undersigned authority, on this day personally appeared

known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of said _, a corporation, for the purposes and consideration therein expressed, and in the capacity therein stated. Given under my hand and seal of office, this the _____ day of _____, A. D. 19_____.

ILLEGIBLE

Notary Public in and for County, Texas.

THIS AGREEMENT is entered into by and between El Paso Natural Gas Company, Union Oil Company of California and the owners of unitized working interests, hereinafter designated individually as "Non-Operator" and collectively as "Non-Operators";

WITNESSETH, THAT:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative has approved the Unit Agreement dated June 1, 1951 for the Development and Operation of the Rincon Unit Area, Rio Arriba County, New Mexico.

WHEREAS, El Paso Natural Gas Company is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, Union Oil Company of California has been and hereby is designated by Non-Operators as Unit Operator (and by El Paso where El Paso retains any working interest in the Unit Area) and Union Oil Company of California desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Union Oil Company of California hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Non-Operators covenant and agree that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Union shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

UNION OIL COMPANY OF CALIFORNIA

ILLEGIBLE

By: _______

EL PASO NATURAL GAS COMPANY

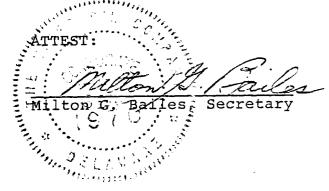
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TENNECO OIL COMPANY

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Ву:	
JONES COMPANY	
Ву:	
BERYL BARRETT McMAHAN, Independe Executor of the Estate of Willia Calvin McMahan, Deceased By:	
H. R. STASNEY AND SONS COMPANY	
By:	



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THE WISER OIL COMPANY

By: President ĥt, John ø

STATE OF TEXAS, I I COUNTY OF MIDLAND. I

The foregoing instrument was acknowledged before me this day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official β seal the day and year above written.

My Commission Expires:

Notary

VANTO JONES Controlle Antimen Co. Texas

ILLEGIBLE

THE STATE OF TEXAS COUNTY OF <u>FX Yasa</u>

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insurment and acknowledged to me that he executed the same as the act and ised of said _______, a corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the _____ day of

_____, A. D. 19_____.

ILLEGIBLE

Notary Public in and for _____ County, Texas.

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50 YEARS



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION



TONEY ANAYA

May 1, 1986

POST DEFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501 (505) 827-5800

Mr. John A. Aday Rt. 1, Box A-28 Estancia, New Mexico 87016

> Re: D'Spain Well No. 2 C-12-6N-6E Torrance County, New Mexico

Dear Mr. Aday:

A review of your well file has indicated that this office has not received any official correspondence on the referenced well for the last two years. If work has been completed on this well within the last two years, please indicate this on our appropriate forms and forward them to this office. If this well is not capable of production, we request that it be plugged and abandoned according to our rules and regulations.

This office requests your immediate attention to this matter and if you have any questions, please contact me at this office.

Sincerely, nu 6

ROY E. JOHNSON Sr. Petroleum Geologist

REJ/dr

Union Oil Company of California 500 North Marienfeld, Midland, Texas 79701 P.O. Box 671, Midland, Texas 79702 Telephone (915) 682-9731

LIN 73

April 25, 1986

Commissioner of Public Lands State of New Mexico P.O. Box 1148 Santa Fe, New Mexico 87501

ATTN: Mr. Floyd Prando, Director Oil & Gas Division

Rincon Unit Resignation of Unit Operator and Designation of Successor Unit Operator San Juan Basin Rio Arriba County, New Mexico

Enclosed please find one (1) original and two (2) copies of the Resignation of Unit Operator and Designation of Successor Unit Operator for the Rincon Unit.

At this time, Union Oil Company of California respectfully request your Approval of the enclosed Agreements, which designates Union Oil Company of California as Successor Operator of the Rincon Unit.

If you have any questions, please call me collect at (915) 682-9731. Thank you in advance for your cooperation and prompt attention to this matter.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

(Gnu Larry Murphy Landman

4/29/86 Approved. ONER OF PUBLIC LANDS COMMIS

Wayne W. Strong District Land Manager Midland District

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Encls.-Designation of Unit Operator

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Dear Mr. Prando:

State of New Mexico



IM BACA

COMMISSIONER



Commissioner of Public Lands

April 29, 1986

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 Express Mail Delivery User 310 Old Santa Fe Trail Santa Fe, Wew Mexico 87501

Union Cil Company of California Attn: Mr. Larry Murphy F. O. Box 671 Midland, Texas 79702

> Re: Rincon Unit Resignation of Unit Operator and Designation of Successor Unit Operator, San Juan Basin Rio Arriba County, Ne Mexico

Gentlemen:

This office is in receipt of your letter of April 25, 1986, together with two copies of the Resignation of Operator and the Designation of a Successor Unit Operator for the Rincon Unit.

The Commissioner of Public Lands has this date approved the Resignation of El Paso Natural Gas Company as Unit Operator and the Designation of Union Oil Company of California as the Successor Unit Operator for the Rincon Unit Area, Rio Arriba County, New Mexico.

Our approval is subject to like approval by the Bureau of Land Managment.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA COMMISSIONER OF PUBLIC LANDS

BY: 4 Come Man FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5744

JB/FOP/pm

encls. cc: OCD-Santa Fe, New Mexico Arrn: Roy Johnson OGAD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico

RINCON UT

THIS AGREEMENT is entered into by and between El Paso Natural Gas Company, Union Oil Company of California and the owners of unitized working interests, hereinafter designated individually as "Non-Operator" and collectively as "Non-Operators";

WITNESSETH, THAT:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative has approved the Unit Agreement dated June 1, 1951 for the Development and Operation of the Rincon Unit Area, Rio Arriba County, New Mexico.

WHEREAS, El Paso Natural Gas Company is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, El Paso Natural Gas Company herein resigns as Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, Union Oil Company of California has been and hereby is designated by Non-Operators as Unit Operator (and by El Paso where El Paso retains any working interest in the Unit Area) and Union Oil Company of California desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Union Oil Company of California hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Non-Operators covenant and agree that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Union shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

THIS INSTRUMENT may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

IN WITNESS WHEREOF, this Agreement is executed effective the 1st day of May, 1986.

UNION OIL COMPANY OF CALIFORNIA

Am Attorney-in-Fact

EL PASO NATURAL GAS COMPANY

ermente By: Attorney-In-Faot

TENNECO OIL COMPANY

W. Cayce, Attorney-in-Fact

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v

STATE OF TEXAS, COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 25^{-4} day of February, 1986, by SAMUEL C. TERRY, Attorney-in-Fact of UNION OIL COMPANY OF CALIFORNIA, a California corporation, on behalf of said corporation.

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

My Commission Expires:

11-30-88

Notary Public

MAVIS JONES Notary Public Midiand Co. Texas

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COUNTY OF BI Donal	F New Mexico Lea EFORE ME, the undersig d W. Johnson to be the person and	ned authority, on		• onally appeare	•	
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MERIDIAN OIL

1986 14. SANTA FF DIVISION

Bureau of Land Management South Central Region Post Office Box 6770 Albuquerque, New Mexico 87197

Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fe, New Mexico 87501

Oil Conservation Division State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501

> Re: Rincon Unit, I Section No. 916 Rio Arriba County, New Mexico 1986 Drilling Program

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Gentlemen:

By letter dated February 22, 1985, El Paso Natural Gas Company, as Unit Operator for the referenced Unit, filed a Drilling Program for calendar year 1985. This program provided for the drilling of no wells.

As of this date, the total number of wells in the Rincon Unit, I Section No. 916 is as follows:

Pictured Cliffs, Commercial	103
Pictured Cliffs, Plugged & Abandoned	3
Pictured Cliffs/Chacra Dual, Commercial	1
Pictured Cliffs/Mesaverde Dual, Commercial	9
Mesaverde, Commercial	28
Mesaverde, Non-Commercial	2
Mesaverde/Chacra Dual, Commercial	4
Mesaverde/Dakota Dual, Commercial	8
Mesaverde/Dakota Dual,	
Mesaverde Non-Commercial	3
Dakota, Commercial	47
Dakota, Non-Commercial	1
Gallup/Dakota Dual, Commercial	1
Chacra, Commercial	8
	218

Meridian Oil Inc., 3535 East 30th St., P.O. Box 4289, Farmington, New Mexico 87499, Telephone 505-327-0251

Regulatory Agencies

Pursuant to Section 10 of the Rincon Unit Agreement, Meridian Oil, on behalf of El Paso Natural Gas Company, as Unit Operator, is submitting this Drilling Program providing for the drilling of no wells during calendar year 1986.

All working interest owners have been contacted regarding this Drilling Program. Meridian Oil, on behalf of El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

Meridian Oil, on behalf of El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to the undersigned.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

Man Merfander Alan Alexander

District Land Manager

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AA:DMP:LD:t1m Enclosure Rincon Unit, 3.0 Doc. #0356L

Bureau of Land Management (Subject to like approval by the Commissioner of Public Lands and the Oil Conservation Division) APPROVED:_______ DATED:______ Commissioner of Public Lands (Subject to like approval by the Bureau of Land Management and the Oil Conservation Division)

10 101mm APPROVED: Oil Conservation Division

APPROVED:

(Subject to like approval by the Bureau of Land Management and the Commissioner of Public Lands)

DATED: 4-21-86

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DATED:

The foregoing approvals are for the 1986 Drilling Program for the Rincon Unit, I Section No. 916, Rio Arriba County, New Mexico.

RINCON UNIT WORKING INTEREST OWNERS

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, ,

Mr. R. E. Beamon
Burton-Hawks, Inc.
Elizabeth Jeanne Turner Calloway
Conoco, Inc.
Petro-Lewis Corporation
Tenneco Oil Company
Mr. Frederick Eugene Turner
Mr. James Glenn Turner, Jr.
Mr. John Lee Turner
The Wiser Oil Company
Union Oil Company of California

•

State of New Mexico



JIM BACA COMMISSIONER

1.1

April 24, 1986

Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 Express Mail Delivery Uses 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

Meridian Oil Inc. Attn: Alan Alexander P. O. Box 4289

Farmington, New Mexico 84799

Re: Rincon Unit Rio Arriba County, New Mexico 1986 Drilling Program

Gentlemen:

The Commissioner of Public Lands has this date approved your 1986 Drilling Program for the Rincon Unit Area, Rio Arriba County, New Mexico. Such plan calls for the drilling of no wells during 1986.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA COMMISSIONER OF PUBLIC LANDS

BY: - Double han _ FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5744

JB/FOP/pm

encls.

cc: OCD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico

Attn: Fluids Branch

Union Oil and Gas Division: Central Region

Union Oil Company of California 500 North Marienfeld, Midland, Texas 79701 P.O. Box 671, Midland, Texas 79702 Telephone (915) 682-9731

UNIBN

April 25, 1986

Oil Conservation Division Aztec District Office 1000 Rio Brazos Rd. Aztec, New Mexico 87410

ATTN: Frank Chavez

Rincon Unit Resignation of Unit Operator and Designation of Successor Unit Operator San Juan Basin Rio Arriba County, New Mexico

Dear Mr. Chavez:

Enclosed please find two (2) copies of the Resignation of Unit Operator and Designation of Successor Unit Operator for the Rincon Unit.

At this time, Union Oil Company of California respectfully request your Approval of the enclosed Agreements, which designates Union Oil Company of California as Successor Operator of the Rincon Unit.

If you have any questions, please call me collect at (915) 682-9731. Thank you in advance for your cooperation and prompt attention to this matter.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

Larry Murphy Landman

APR2 8 1986 CON. DIV. 1

LM Encls.-Designation of Unit Operator

Wayne W. Strong District Land Manager Midland District

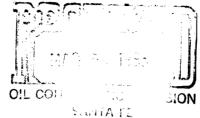


United States Department of the Interior

IN REPLY REFER TO:

Rincon Unit (015)

BUREAU OF LAND MANAGEMENT ALBUQUERQUE DISTRICT OFFICE 505 Marquette, N.W. P.O. Box 6770 Albuquerque, New Mexico 87197-6770



99

MAR 20 1985

El Paso Natural Gas Company Attention: Alan Alexander P.O. Box 4289 Farmington, New Mexico 87499-4289

Gentlemen:

Two approved copies of your 1985 Plan of Development for the <u>Rincon Unit</u> area, Rio Arriba County, New Mexico are enclosed. Such plan, proposing no drilling for 1985, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) GARY A. STEPHENS

For District Manager

Enclosure(s)

cc;

MOCD, Santa Fe Comm. of Pub. Lands, Santa Fe Micrographics 943B-4 Fluids Section FRAH File: Rincon Unit POD O&G Chron

015:RBartel:tt:3/19/85:0575M





JIM BACA COMMISSIONER Commissioner of Public Lands May 3, 1985

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 Express Mail Deliving Uses 210 Old Santa Fe Trail Santa Fe, New Mexico 87501

El Paso Natural Gas Company P. O. Box 4289 Farmington, New Mexico 87499-4289

> Re: Rincon Unit Rio Arriba County, New Mexico 1985 Drilling Program

ATTENTION: Mr. Alan Alexander

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Drilling Program for the Rincon Unit, Area, Rio Arriba County, New Mexico. Such plan calls for the drilling of no wells during the calander year 1985. Our approval is subject to like approval by the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA COMMISSIONER OF PUBLIC LANDS aux BY: RAY D. GRAHAM, Director

Oil and Gas Division AC 505/827-5744

JB/RDG/pm

encls.

cc: 0C

OCD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico Attn: Fluids Branch BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



299



P. D. BOX 4189
 F4RMINGTC1, NEW MEXICO 87499 4369
 PHONE 505 325 2841

February 22, 1985

Bureau of Land Management South Central Region Post Office Box 6770 Albuquerque, New Mexico 87197

Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fe, New Mexico 87501

Oil Conservation Division State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Rincon Unit I Sec. No. 916 Rio Arriba County, New Mexico 1985 Drilling Program

Gentlemen:

By letter dated March 14, 1984, El Paso Natural Gas Company, as Unit Operator, for the Rincon I Sec. No. 916, filed a Drilling Program concerning the referenced unit for calendar year 1984. This program provided for the drilling of no wells.

As of this date, the total number of active wells in the Rincon Unit I Sec. No. 916 is as follows:

Pictured Cliffs	106
Pictured Cliffs/Chacra Duals	1
Chacra	7
Mesaverde	28
Pictured Cliffs/Mesaverde Duals	9
Pictured Cliffs/Dakota Duals	6
Mesaverde, Non-commercial	7
Dakota	47
Chacra/Mesaverde Duals	4
Gallup/Dakota (GL-plugged, DK-non-commercial)	1
Tocito (Oil)	1
	217

Pursuant to Section 10 of the Rincon Unit Agreement, El Paso Natural Gas Company, as Unit Operator, is submitting this Drilling Program providing for the drilling of no wells during the calendar year 1985.

Regulatory Agencies

-2-

All working interest owners have been contacted and this Drilling Program reflects their desires. EPNG, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

EPNG, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to the undersigned at the above address.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

Man Merandes Alan AlexanderA

District Land Manager

AA:DMP:ld attachment Rincon Unit, 3.0 APPROVED:

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DATED:

Bureau of Land Management (Subject to like approval by the Commissioner of Public Lands and the Oil Conservation Division)

APPROVED:

Commissioner of Public Lands (Subject to like approval by the Bureau of Land Management and the Oil Conservation Division)

blue APPROVED 100

Oil Conservation Division (Subject to like approval by the Bureau of Land Management and the Commissioner of Public Lands) DATED:

DATED: 2-28-85

The foregoing approvals for the 1985 Drilling Program for the Rincon Unit, I Sec. No. 916, Rio Arriba County, New Mexico.

RINCON UNIT WORKING INTEREST OWNERS

Burton-Hawks, Inc.

Elizabeth Jeanne Turner Calloway

Conoco, Inc.

t 7 6

Petro-Lewis Corporation

Tenneco Oil Company

Mr. Frederick Eugene Turner

Mr. James Glenn Turner, Jr.

Mr. John Lee Turner

The Wiser Oil Company

Union Oil Company of California (Information only)

Mr. R. E. Beamon (Information only)

#799



JIM BACA COMMISSIONER Commissioner of Public Lands

State of New Mexico

April 23, 1984

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas 79978

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 Express Mall Sellvery Mars 310 01d Sante Fo Trail Santa Fe, New Mexico 27591

Re: Rincon Unit Rio Arriba County, New Mexico 1984 Drilling Program

ATTENTION: Mr. D. N. Canfield

Gentlemen:

The Commissioner of Public Lands has this date approved your 1984 Drilling Program for the Rincon Unit Agreement, Rio Arriba County, New Mexico. Such program provides for the drilling of no wells during the calandar year of 1984. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours, JIM BACA COMMISSIONER OF PUBLIC LANDS

BY: RAY D. GRAHAM, Director Oil and Gas Division AC 505/827-5744

JB/RDG/pm encls. cc: OCD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico BLM-Roswell, New Mexico Attention: Mr. Armando Lopez



#299

EI Paso Natural Gas Company

E.

P. O. BOX 1492 EL PASO, TEXAS 79978 PHONE: 915-541-2600

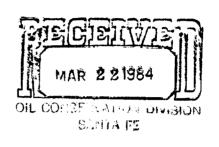
March 14, 1984

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Bureau of Land Management South Central Region 505 Marquette Avenue, N.W., Suite 815 Albuquerqué, New Mexico 87102

Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fe, New Mexico 87501

Oil Conservation Division State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501



Re: Rincon Unit Sec. No. 916 Rio Arriba County, New Mexico 1984 Drilling Program

Gentlemen:

By letter dated June 10, 1983, El Paso Natural Gas Company, as Unit Operator, for the Rincon I Sec. No. 916, filed a Drilling Program concerning the captioned Unit for the calendar year 1983. This program provided for the drilling of no wells.

As of this date, the total number of active wells in the Rincon Unit I Sec. 916 is as follows:

Pictured Cliffs	106
Pictured Cliffs/Chacra	1
Chacra	7
Mesaverde	28
Dual, Pictured Cliffs/Mesaverde	9
Dual, Pictured Cliffs/Dakota	6
Mesaverde, Non-Commercial	7
Dakota	47
Chacra/Mesaverde	4
Gallup/Dakota (Gallup-plugged;	
Dakota-Non-Commercial)	1
Tocito (Oil)	1
	217

Pursuant to Section 10 of the Rincon Unit Agreement, El Paso Natural Gas Company, as Unit Operator, is submitting this Drilling Program providing for the drilling of no wells during the calendar year of 1984. Regulatory Agencies March 14, 1984 Page Two

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All working interest owners have been contacted, and this Drilling Program reflects their desires. El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

yued D. N. Canfield Attorney-in-Fact

DNC/VIG/cc Attachment Rincon Unit, 3.0 APPROVED:

DATED:

Bureau of Land Management (Subject to like approval by the Commissioner of Public Lands and 'the Oil Conservation Division)

APPROVED:

Commissioner of Public Lands (Subject to like approval by the Bureau of Land Management and the Oil Conservation Division)

Mus , 2 0

APPROVED:

Oil Conservation Division (Subject to like approval by the Bureau of Land Management and the Commissioner of Public Lands) DATED:

DATED: 3-26-84

The foregoing approvals for the 1984 Drilling Program for the Rincon Unit I Section No. 916, Rio Arriba County, New Mexico.

RINCON UNIT Working Interest Owners

Burton-Hawks, Inc.

Elizabeth Jeanne Turner Calloway

Conoco, Inc.

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Tenneco Oil Company

Frederick Eugene Turner

James Glenn Turner, Jr.

John Lee Turner

The Wiser Oil Company

Petro-Lewis Corporation

State of New Mexico





JIM BACA COMMISSIONER Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

January 24, 1984

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas 79978

Re: Rincon Unit

Application for Approval of the Fourteenth Expanded Participating Area Mesaverde Formation Effective 12-1-83

ATTENTION: Mr. James R. Permenter

Gentlemen:

The Commissioner of Public Land has this date approved your application for approval of the Fourteenth Expanded Participating Area for the Mesaverde Formation, Rincon Unit, Rio Arriba County, New Mexico effective as of December 1, 1983.

The Fourteenth revision adds 641.54 acres described as the S/2 Section 34, Township 27 North, Range 7 West, Lots 1,2,3,4, S/2NW/4,S/2NE/4 Section 2, Township 26 North, Range 7 West. The Fourteenth Revision is predicated upon the completion of the unit well nos. 223 and 234. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Please advise all interested parties of this action. Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA COMMISSIONER OF PUBLIC LANDS

BY: RAY D. GRAHAM, Director Oil and Gas Division AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico BLM-Roswell, New Mexico OGAC-Santa Fe, New Mexico







JIM BACA COMMISSIONER Commissioner of Public Lands January 23, 1984

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

El Paso Exploration Company P. O. Box 1492 El Paso, Texas 79978

> Re: Rincon Unit Application for Approval of the Eighth Expanded Participating Area Chacra Formation Effective December 1, 1982

ATTENTION: Mr. James R. Permenter

Gentlemen:

The Commissioner of Public Lands has this date approved your application for Approval of the Eighth Expanded Participating Area for the Chacra Formation, Rincon Unit, Rio Arriba County, New Mexico Effective as of December 1 1982.

The Eighth Revision adds 969.86 acres described as Lots 3, 4, SW/4, S/2NW/4 Section 2, Township 26 North, Range 7 West, SE/4 Section 33, S/2 Section 34, and Lots 11, 12, 13 and 14 Section 35, Township 26 North, Range 7 West. The Eighth Revision is predicated upon the completion of the unit well nos. 223, 223A, 233 and 234. Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation'Division.

Please advise all interested parties of this action. Enclosed is an approved copy for your files.

Very Truly yours,

JIM BACA COMMISSIONER OF PUBLIC LANDS

Fraham an X BY: 🤇 RAY D. GRAHAM, Director

Oil and Gas Division AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico BLM-Albuquerque, New Mexico BLM-Roswell, New Mexico OGAC-Santa Fe, New Mexico

Flacen Ht



JAN 1.6 1984

El Paso Baturel Gas Company Attention: Nr. Yon L. Gockel PO Box 1492 El Paso, Texas 75978

Gentlemen:

Your application of Argust 26, 1000, respecting approval of the 14th revision, Besaverde participating area, Rincon Unit, Bio Arriba County, New Mexico, was approved on this date by the District Memory, Albequerque, New Mexico, effective as of Recember 1, 1983.

The 14th revision adds 641.54 acres described as the 5/2 section 34 T. 27 K., R. 7 W. and Lots 1, 2, 5, and 4, 5/280/4, 5/280/4 (6/2) section 2, T. 26 S., R. 7 M., MAPN. Contributing to this area is the completion of the Rincon Unit well No. 223 located in the SE/A section 34, T. 27 H., R 7 M. and the Rincon Deit well Ro. 234 located in the NU/4 section 2, T. 26 K., R. 7 M.

Exples of the appraved application are being distributed to the appropriate Federal Offices. Too are requested to furmion the state of New Mexico and other interested parties with appropriate wridence of this approval.

> Sincerely years, (ORIG. SGD.) JAMES W. SHELTON For District Resager

ILLEGIBLE

cc: (Comm of Pub Lands, Sadta Fe) (NHOCB, Santa Fe) FRAH (M/encl) Denver Acctg File Chrono RBartel

015:RBartel:dg0116P:1/5/84

Rincon Unit

Interest States

JAN 16 1984

El Paso Metural Gas Company Actention: Mr. Van L. Goebel PO Dat 1492 El Paso, Texas 79978 JAN 1 8 1984 OIL CONSERVATION DIVISION SANTA FE

Gentlemen:

Your application of August 23, 1983, requesting approval of the eightimerevision, Chacra participating area, Rincon Unit, RiovArriba County, New Mexico, was approved on this date by the District Manager, Albuquerque. New Mexico, effective as of December 1, 1982. Three approved copies are enclosed.

The eighth revision adds 969.86 acres described as the SN/4, Lots 4, and 4, S/2NH/4 (NW/4) section 2, T. 26 N. R. 7 MT SE/4 section 33, S/2 section 34, and Lots 11, 12, 13 and 14 (SM/4) section 35, T. 27 N., R. 7 N., REPH. Contributing to this area is the empletion of Bincon Unit wolls numbered 223, 223A, 233, and 234.

Copies of the approved application are being distributed to the appropriate federal Offices. You are requested to furnish the State of New Nexico and other interested parties with appropriate evidence of this approval.

Stacerely yours,

ĽX.

(ORIG. SGD.) JAMES W. SHELTON For District Manager

Enclosures

ILLEGIBLE

cc: (Comm of Pub Lands, Santa Fe) (NMOCD, Santa Fe) FRAH (w/encl) Denver Acctg w/schedule File Acctg w/schedule File Rincon Unit Chrono RBartel 1/5/84

015:RBartel:dg0123P:1/9/84



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

August 29, 1983

El Paso Exploration Company P.O. Box 1492 El Paso, Texas 79978

Attention: James R. Permenter

Re: Rincon Unit I Sec. 916, Rio Arriba County, NM, APPLICATION FOR APPROVAL OF THE EIGHTH EXPANDED PARTICIPATING AREA, Chacra Formation Effective December 1, 1981

Dear Mr. Permenter:

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the United States Minerals Management Service.

Sincerely

ROY E JJOHNSON Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe Minerals Management Service - Albuquerque OCD District Office - Aztec





File #299

P. O. BOX 1492 EL PASO, TEXAS 79978 PHONE: 915-541-2600

OIL CONSERVATION DIVISION SANTA FE August 26, 1983

Bureau of Land Management South Central Region 505 Marquette Avenue, N.W., Suite 815 Albuquerque, New Mexico 87102

Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fe, New Mexico 87501

Oil Conservation Division State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501

> Re: Rincon Unit I Sec. No. 916 Rio Arriba County, New Mexico APPLICATION FOR APPROVAL OF THE FOURTEENTH EXPANDED PARTICIPATING AREA, Mesaverde Formation effective December 1, 1981 NOTICE OF COMPLETION OF ADDITIONAL WELLS Mesaverde Formation

Gentlemen:

Pursuant to the provisions of Section 11 of the Rincon Unit Agreement I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests approval of the Fourteenth Expanded Participating Area for the Mesaverde Formation, to wit:

FOURTEENTH EXPANDED PARTICIPATING AREA - Effective December 1, 1981

Drilling Block	Acres	Well No.
S/2 Sec. 34, T-27-N, R-7-W Lots 1,2,3,4, S/2 NW/4,	320.00	#223
S/2 NE/4 (N/2) Sec. 2, T-26-N, R-7-W	321.54	#234

This proposed Fourteenth Expanded Participating Area for the Mesaverde Formation is predicated upon the determination by El Paso Natural Gas Company, as Unit Operator, that the Rincon Unit #223 and #234 Chacra/Mesaverde Dual Wells are capable of producing unitized substances in paying quantities from the Mesaverde Formation, which determination is based on the following: Bureau of Land Management Commissioner of Public Lands Oil Conservation Division August 26, 1983 Page Two

The Rincon Unit #223 Well was completed on July 8, 1981. The Chacra Formation was tested on December 15, 1981 with an after frac gauge of 246.60 MCF/D. The Mesaverde Formation was tested on December 15, 1981 with an after frac gauge of 164.40 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 411 MCF/D. The spacing unit for the Chacra side of this well is described as the SE/4 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 320.00 acres.

The Rincon Unit #234 Well was completed on December 19, 1981. The Chacra Formation was tested on December 28, 1981 with an after frac gauge of 175.44 MCF/D. The Mesaverde Formation was tested on December 28, 1981 with an after frac gauge of 168.56 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 344 MCF/D. The spacing unit for the Chacra side of this well is described as the NW/4 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 160.68 acres. The spacing unit for the Mesaverde side of this well is described as the N/2 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 321.54 acres.

Two (2) additional wells capable of producing unitized substances from the Mesaverde formation have been completed upon acreage already committed to the Mesaverde Participating Area. The #223-A is brought into the participating area by the Fourteenth Expansion and the #233 well was brought into the participating area by the Thirteenth Expansion. These wells are as follows:

The Rincon Unit #223-A Well was completed on December 14, 1981. The Chacra Formation was tested on December 21, 1981 with an after frac gauge of 209.43 MCF/D. The Mesaverde Formation was tested on December 21, 1981 with an after frac gauge of 327.57 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 537 MCF/D. The spacing unit for the Chacra side of this well is described as the SW/4 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 320.00 acres.

The Rincon Unit #233 Well was completed on December 24, 1981. The Chacra Formation was tested on December 31, 1981 with an after frac gauge of 174.72 MCF/D. The Mesaverde Formation was tested on December 31, 1981 with an after frac gauge of 1169.28 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 1344 MCF/D. The spacing unit for the Chacra side of this well is described as the SW/4 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 320.00 acres. Bureau of Land Management Commissioner of Public Lands Oil Conservation Division August 26, 1983 Page Three

Attached hereto is Schedule XV showing the proposed Fourteenth Expanded Participating Area for the Mesaverde Formation in the Rincon Unit Area. This Schedule describes the Participating Area, shows the percentages of ownership in the tract.

If this Fourteenth Expanded Participating Area of the Mesaverde Formation meets with your approval, please indicate such approval in the space provided on the attached sheet and return an approved copy hereof for our files.

Copies of this letter and Schedule are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

ames & learnen +-James R. Permenter

Director, Land Administration Land Department

JRP/VLG/cc Enclosures Rincon Unit, 4.2

cc: Mr. Antonio Martinez Executive Director New Mexico Oil and Gas Accounting Commission P. O. Box 2308 Santa Fe, New Mexico 87501 APPROVED:

DATED:

Bureau of Land Management (Subject to like approval by the Commissioner of Public Lands and the Oil Conservation Division)

APPROVED:

Commissioner of Public Lands (Subject to like approval by the Bureau of Land Management and the Oil Conservation Division)

APPROVED: 011 Conservation Division

Off Conservation Division (Subject to like approval by the Bureau of/Land Management and the Commissioner of Public Lands) DATED:

9-29-83 DATED:

The foregoing approvals are for the Rincon Unit I Sec. 916, Rio Arriba County, New Mexico, Fourteenth Expanded Participating Area, Mesaverde Formation, Effective December 1, 1981. RINCON UNIT Working Interest Owners

Burton-Hawks, Inc. . Elizabeth Jeanne Turner Calloway Conoco, Inc. Tenneco Oil Company Frederick Eugene Turner James Glenn Turner, Jr. John Lee Turner The Wiser Oil Company

	FOURTEENTH	NTH EXPANDED	SCHEDULE XV PARTICIPATING AREA FOR RINCON UNIT AREA	THE MESAVERDE FORMATION	ATION	
		NUMBER	DRILLING BLOCK		PERCENTAGE	PRESENT ACTUAL
		OF ACRES		PERCENTAGE	COMMITTED	PARTICIPA TION
			Tract 1			4.520650
SF 079052	T-27-N, R-6-W Sec. 17: W/2 a	520.00 SE/4,	~•	12.50%		
	Sec. 18: SE/4,	4, E/2 SW/4	Bl Paso Natural Gas Co.; ORRI:	82.50%	82.50% 5.00%	
			TOTAL	100.00%	100.008	
			Tract 2			8.351032
SF 079160	T-26-N, R-7-W Sec. 1: Lots 3,4,	10	~•	12.50%	12.50%	
	(W/2) Sec. 11: A11	4/ 4/ 	ORRI; TOTAL	82.50% 5.00% 100.00%	82.50% 5.00%	
			Tract 3			2.922948
SF 079298	<u>T-27-N, R-7-W</u> Sec. 13: Lots	336.22 1,2, 1,2,	Royalty; Working Interact.	12.50%	12.50%	
	(S/2	(S/2)		82.50% 5.00% 100.00%	82.50% 5.00% 100.00%	
^			Page 1			

Effective December 1, 1981

UNIT AREA EXPANSION SCHEDULE SAN JUAN BASIN Form 21-71 (2-72)				
FOURTEENTH EXPANDED	SCHEDULE 2 PARTICIPATING AREA FOR RINCON UNIT	KV THE MESAVERDE FORMATION AREA	ATION	
SERIAL NUMBER DESCRIPTION OF ACRES	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
	Tract 4			1.39096
SF 079298-A <u>T-27-N</u> , <u>R-7-W</u> 160.00 Sec. 14: NW/4	~•	12.50%	12.50%	
	working interest: El Paso Natural Gas Co.; ORRI; TOTAL	74.06% 13.44% 100.00%	74.06 13.44 100.00	
	Tract 5			0.00000
1,2	74	12.50%	00.00%	
. 4,5,6,7,8 (N/2)	Paso Natural	28.13%	00.00%	
•	Wm. G. Webb; ORRI; TOTAL	28.128 31.258 100.008	00.00% 00.00%	
	Tract 6			3.749706
$\frac{K^2}{N/2} + \frac{4}{2}$	~•	12.50%	12.50%	
Sec. 14: LOES /,9,10 (NE/4 SW/4, S/2 SW/4)	Working incress: El Paso Natural Gas Co.; ORRI; TOTAL	82.50% 5.00% 100.00%	82.50% 5.00% 100.00%	
	Tract 12			2.7819 3 <i>c</i>
Sec. 15: E/2	~•	12.50%	12.50%	
	WOLKING INCLESS: El Paso Natural Gas Co.; ORRI; TOTAL	82,50% 5.00%	82.50% 5.00% 100.00%	
Effective December 1, 1981	Page 2			

	FOURTEENTH	NTH EXPANDED	SCHEDU PARTICIPATING AREA RINCON UNIT	ILE XV FOR THE MESAVERDE FORMATION AREA	1ATION	
SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP DRILLING BLOCK	PERCENTAGE	PERCENTAGE	PRESENT ACTUAL PARTICIPATION
			Tract 13			8.341382
SF 079364	1 1 1 1	959.49		12.50%	12.50%	
1	Sec. 29: S/2 Sec. 30: N/2		working interest: El Paso Natural Gas Co.; ORRI; TOTAL	80.00% 7.50% 100.00%	80.00% 7.50% 100.00%	
SF 079364	T-27-N, R-6-W Sec. 29: N/2	639,59	~•	12.50%	12.50%	5.560313
			ORRI; TOTAL	77.00% 10.50% 100.00%	$77.00\%\\10.50\%\\100.00\%$	
			Tract 14			1.738712
SF 079365-A	<u>T-27-N, R-6-W</u> Sec. 22: NE/4, NE/4	200.00 SE/4	Royalty; Working Interest.	12.50%	12.50%	
				77.00% 10.50% 100.00%	77.00% 10.50% 100.00%	
5F U/9363-A	Sec. 23: All	040.00	~*	12.50%	12.50%	5.5638//
~			ORRI; TOTAL	80.00% 7.50% 100.00%	80.00% 7.50% 100.00%	
,				7.50% 100.00%	7.508	

Effective December 1, 1981

	FOURTEENTH		SCHEDULE XV EXPANDED PARTICIPATING AREA FOR THE M RINCON UNIT AREA	V THE MESAVERDE FORMATION A	ATION	
ERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP PE	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			Tract 15			6.6018888
;F 079366	T-27-N, R-6-W Sec. 19: S/2	759.40	~•	12.50%	12.50%	
•		W/4, SE/4	working interest: El Paso Natural Gas Co. ORRI; TOTAL	$\frac{17.00\%}{100.50\%}$	77.00% 10.50% 100.00%	
			Tract 15	5 (continued)		1.390969%
;F 079366	$\frac{T-27-N}{Sec. 22: W/2} \frac{16}{NW/4},$	160.00 W/4,	~•	12.50%	12.50%	
	יםט ד/אט ד/ אט ד/שט, ד אין מטאי אין אין אין די	/	ORRI; TOTAL	80.00% 7.50% 100.00%	80.00% 7.50% 100.00%	
			Tract 1	<u>15-A</u>		2.781938%
F 079366	<u>T-27-N, R-6-W</u> Sec. 20: N/2	320.00	Royalty;	12.50%	12.50%	
		,	Working Interest: El Paso Natural Gas Co.	77.00%	77.00%	
			URK1 ; TOTAL	100.008	100.008	
1		CC 040 L	Tract 1	15-A (continued)		11.121843
	Sec. 19: $N/2$	1,219.32	~•	12.50%	12.50%	
	Sec. 21: N/2 Sec. 21: N/2		ORRI;	80.00 7.50 100.00	80.008 7.508 100.008	

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Page 4

Iffective December 1, 1981

UNIT AREA EXPANSION SCHEDULE - SAN Form 21-71 (2-72)	SAN JUAN BASIN		-		
FOURTEENTH	TH EXPANDED	SCHEDULE XV PARTICIPATING AREA FOR THE RINCON UNIT AREA	MESAVERDE FORMATION	ATION	
SERIAL NUMBER DESCRIPTION	NUMBER OF ACRES	OWNERSHIP DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
		Tract 16			2.781939
SF 079367-A <u>T-27-N, R-6-W</u> Sec. 26: N/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%	
SF 079367-A T-27-N, R-6-W Sec. 26: S/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	$ \begin{array}{r} 12.50\% \\ 80.00\% \\ 7.50\% \\ \overline{100.00\%} \end{array} $	12.50% 80.00% 7.50% 100.00%	2.781939
		Tract 17			1.371496
SF 079404-A <u>T-27-N, R-6-W</u> Sec. 18: Lots 3 and	157.76 1,2, 4	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 86.50% 1.00% 100.00%	12.50% 86.50% 1.00% 100.00%	
SF 080213 T-27-N, R-7-W (Sec. 34: W/2	320.00] ralty; king Interest:	12.50%	12.50%	2.781939
		Natural P	82.50% 5.00% 100.00%	82.508 5.008 100.008	
Effective December 1, 1981					

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UNIT AREA EXPANSION SCHEDULE	NSION SCHEDULE – SA	- SAN JUAN BASIN		-		
	FOURTEENTH	TH EXPANDED	SCHEDULE XV PARTICIPATING AREA FOR THE RINCON UNIT AREA	MESAVERDE FORMATION	ATION	
SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			Tract 19			2.781939
SF 080385	T-2/-N, R-/-W Sec. 34: E/2	320.00	~*	12.50%	12.50%	
			Working Interest: El Paso Natural Gas Co.;	82.50%	82.50%	
			6.1	5.00% 100.00\%	5.00%	
		נש רככ	Tract 20			2.935206
NM 012209	<u>Sec. 14: Lots</u>	1,2,3,	~•	12.50%	12.50%	
	12, (SW/4)	4,3,0,8,11, 12, (E/2, NW/4 SW/4)	working incerest: El Paso Natural Gas Co.; ORRI;	81.50%	81.508 6.008	
			TOTAL	%00.00T	\$00.0UT	
			Tract 21			5.216135*
ACOCTO MM	Sec. 17: N/2,	NE/4	~•	12.50%	12.50%	
	Sec. 18: NE/4, NW/4	E/2	El Paso Natural Gas Co.; ORRI;	81.50% 6.00%	81.50% 6.00%	
			Tract 24			3.825166*
E-290-28	T-27-N, R-6-W Sec. 16: W/2,	440.00	Royalty;	12.50%	12.50%	
~	W/2 SE/4	SE/4, 4 SE/4	Working Interest: El Paso Natural Gas Co.;	77.50%	77.50%	
			URK1 ; TOTAL	100.00%	90.008	
Effective D	December 1, 1981	F	Page 6			

DESCRIPTION NUMBER OF ACRES OWNERSHIP DRILLING ELOCK reactive PERCENTAGE		FOURTEENT	'H EXPANDEI	SCHEDULE XV FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE M RINCON UNIT AREA	MESAVERDE FORMATION	ATION	
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	ERIAL NUMBER	DESCRIPTION		DRILLING BLOCK	CENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$				Tract			1.390969 2
$\frac{\text{Tract 26}}{\text{Sec. 2:} \text{Lots } 1,2,320.76} \text{Royalty;} \text{Grand particles} \text{Sc. 2:} \frac{\text{Lots } 1,2,2,320.76}{\text{Sec. 2:} \frac{1,250 \text{ K}}{(\text{E/2})}, \frac{\text{SE/4}}{\text{Sec. 3:} \frac{\text{SE/4}}{(\text{E/2})}} \text{Working Interest:} \text{TormAL} \frac{12.50 \text{ Royalty;}}{\text{Tract } 27} \frac{12.50 \text{ Royalty;}}{\text{TormAL}} \frac{12.50 \text{ Royalty;}}{100.00 \text{ Royalty;}} \frac{\text{TormAL}}{\text{Tract } 27} \frac{100.00 \text{ Royalty;}}{100.00 \text{ Royalty;}} \frac{\text{Tract } 27}{100.00 \text{ Royalty;}} \frac{12.50 \text{ Royalty;}}{100.00 \text{ Royalty;}} 12.50 $		16	160.00	ralty; king Interest: Paso Natural Gas RI; T	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	
$ \frac{Sec. 2:: Lots 1,2}{Sec. 2:: Lots 1,2}, Royalty; The wiser Oil Company (E/2) SP(4, SE/4, The wiser Oil Company ORRI; Tract 27 (E/2) SP(4, SE/4, SE/4, Ser Oil Company ORRI; Tract 27 (SP(4, SE/4, Ser Oil Company ORRI; Tract 27 (SP(4, SE/4, Ser Oil Company ORRI; Tract 27 (SP(4, Ser Oil Company ORRI; Tract 27 (SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Sec. 2: SP(4, Ser Oil Company ORRI; Tract 28 (Ser Oil Company ORRI; Tract 28$	5-105-		320,76				2.788546
$ \frac{T-26-N, R-7-W}{Sec. 2: Lot 3, 4,} 160.68 \\ \frac{Royalty;}{S/2 NW/4 (NW/4)} Royalty; Interest: S/2 NW/4 (NW/4) S/2 NW/4 (NW/4) El Paso Natural Gas Co. ORRI; TOTAL \frac{12.50\$}{TOTAL} \frac{12.50\$}{100.00\$} \frac{12.50\$}{100.00\$} \frac{12.50\$}{100.00\$} \frac{12.50\$}{100.00\$} \frac{12.50\$}{100.00\$} \frac{12.50\$}{100.00\$} \frac{5.00\$}{100.00\$} $		2:	2, SE/4	ty; ng Interest: iser Oil Compa T	$12.50\%\\87.50\%\\.00\%\\100.00\%$	12.50% 87.50% <u>.00%</u> 100.00%	1.39688
$\frac{\text{Tract 28}}{\text{Sec. 2: } \text{SW/4}} \begin{array}{c} 160.00 \\ \text{Royalty;} \\ \text{working Interest:} \\ \text{El Paso Natural Gas Co.;} \\ \text{ORRI;} \\ \text{TOTAL} \end{array} \begin{array}{c} 12.50\% \\ \text{82.50\%} \\ \text{5.00\%} \\ 100.00\% \\ \end{array}$	-291-35	2 · N	160.68 1, 1 (NW/4)	ralty; king Interest: Paso Natural Gas C NI; TOT	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	
T-26-N, R-7-W 160.00 Royalty; 12.50% Sec. 2: SW/4 Working Interest: El Paso Natural Gas Co.; 12.50% ORRI; TOTAL 100.00%				Tract 28			1.390969%
			160.00	ralty; cking Interest: Paso Natural Gas C RI; TOT	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	

Effective December 1, 1981

NUMBER				
		CENT AGE	COMMETTED	PARTICIPATION
	Tract 29			0.347742
SE/	~ •	12.50%	12.50%	
	ng	82.50%	82.50%	
	URK1 ; TOTAL	100.008	100.008	
5 5 5	Tract 30			1.3909698
E/2 NW/	~•	12.50%	12.50%	
	so	75.00% 12.50%	75.008 12.508	
	TOTAL	100.00%	100.00%	
	DESCRIPTION NOMBER OF ACRES T-27-N, R-6-W 40.00 Sec. 16: NE/4 SE/4 Sec. 22: E/2 NW/4 NE/ 4 SW/4, NW/4 NW/4 SE/4	FIONOF ACRESOWNERSHIPTractR-6-W40.00Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;ToTALR-6-W160.00Royalty; MV/4, NE/ 4 SW/4, NW/4 SE/4TotactR-6-W160.00Royalty; ORRI;ToTALTotactTractTractRoyalty; NW/4SE/4TotactNW/4SE/4ORRI;TotactTotactTractTractNW/4SE/4ORRI;TotactNW/4SE/4ORRI;Totact	FIONOF ACRESOWNERSHIPTT act 29R-6-W40.00Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; DRRI;ToTALIR-6-W160.00Royalty; MV/4, NE/ 4 SW/4, NW/4 SE/4Totact 30 Royalty; Morking Interest: El Paso Natural Gas Co.; TOTALTract 30 Tract 30R-6-W160.00Royalty; MORRI; Morking Interest: El Paso Natural Gas Co.; TOTALTract 30 Tract 30	$ \frac{\text{TION} \text{ OF ACRES} }{\text{OF ACRES} } \frac{\text{UNLLING DLCCN}}{\text{OF ACRES}} \frac{\text{Tract 29}}{\text{PERCENTAGE}} } \frac{\text{Tract 29}}{\text{ME/4} \text{SE/4}} $ $ \frac{\text{NE/4} \text{SE/4}}{\text{NE/4} \text{SE/4}} \frac{\text{A0.00}}{\text{ORRI;}} \frac{\text{Novalty;}}{\text{Interest:}} \frac{\text{Tract 29}}{\text{ORRI;}} \frac{12.50\%}{\text{TOTAL}} \frac{12.50\%}{100.00\%} \frac{12.50\%}{100.00\%} \frac{1}{100.00\%} \frac{12.50\%}{100.00\%} \frac{1}{12.50\%} \frac{12.50\%}{12.50\%} \frac{11.50\%}{12.50\%} \frac{11.50\%}{12.50\%}$

Effective December 1, 1981

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SCHEDULE XV FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION RINCON UNIT AREA

RECAPITULATION

Description of Lands in Participating Area:

Township 27 North, Range 6 West, N.M.P.M. Sec. 27, 28: N/2 Sec. 16,17,18,19,20,21,22,23,26,29,30: All Township 27 North, Range 7 West, N.M.P.M. Sec. 15: E/2 *Sec. 24: N/2 Sec. 13,14,34,: All

Township 26 North, Range 7 West, N.M.P.M. Sec. 1: W/2 Sec. 2,11: All

Total Number of Acres in Participating Area: 11,854.84 Total Number of Committed Acres in Participating Area: 11,502.77

*Not Committed to Unit

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Iffective December 1, 1981





August 23, 1983

Bureau of Land Management South Central Region 505 Marquette Avenue, N.W., Suite 815 Albuquerque, New Mexico 87102

Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fe, New Mexico 87501

Oil Conservation Division State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501

> Re: Rincon Unit I Sec. No. 916 Rio Arriba County, New Mexico APPLICATION FOR APPROVAL OF THE EIGHTH EXPANDED PARTICIPATING AREA, Chacra Formation effective December 1, 1981

Gentlemen:

Pursuant to the provisions of Section 11 of the Rincon Unit Agreement I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests approval of the Eighth Expanded Participating Area for the Chacra Formation, to wit:

EIGHTH EXPANDED PARTICIPATING AREA - Effective December 1, 1981

Drilling Block	Acres	Well No.
SE/4 Sec. 34, T-27-N, R-7-W	160.00	#223
SW/4 Sec. 34, T-27-N, R-7-W	160.00	#223–A
SW/4 Sec. 2, T-26-N, R-7-W	160.00	#233
Lots 3,4, S/2 NW/4 (NW/4) Sec. 2,		
T-26-N, R-7-W	160.68	#234
SE/4 Sec. 33, T-27-N, R-7-W	160.00	Intervening Drilling Block
Lots 11,12,13 & 14 (SW/4) Sec. 35,		
T-27-N, R-7-W	169.18	Intervening Drilling Block

This proposed Eighth Expanded Participating Area for the Chacra Formation is predicated upon the determination by El Paso Natural Gas Company, as Unit Letter to Agencies August 23, 1983 Page Two

Operator, that the Rincon Unit #223, #223-A, #233 and #234 Chacra Mesaverde Dual Wells are capable of producing unitized substances in paying quantities from the Chacra Formation, which determination is based on the following:

The Rincon Unit #223 Well was completed on July 8, 1981. The Chacra Formation was tested on December 15, 1981 with an after frac gauge of 246.60 MCF/D. The Mesaverde Formation was tested on December 15, 1981 with an after frac gauge of 164.40 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 411 MCF/D. The spacing unit for the Chacra side of this well is described as the SE/4 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 320.00 acres.

The Rincon Unit #223-A Well was completed on December 14, 1981. The Chacra Formation was tested on December 21, 1981 with an after frac gauge of 209.43 MCF/D. The Mesaverde Formation was tested on December 21, 1981 with an after frac gauge of 327.57 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 537 MCF/D. The spacing unit for the Chacra side of this well is described as the SW/4 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 34, Township 27 North, Range 7 West, N.M.P.M. containing 320.00 acres.

The Rincon Unit #233 Well was completed on December 24, 1981. The Chacra Formation was tested on December 31, 1981 with an after frac gauge of 174.72 MCF/D. The Mesaverde Formation was tested on December 31, 1981 with an after frac gauge of 1169.28 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 1344 MCF/D. The spacing unit for the Chacra side of this well is described as the SW/4 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 160.00 acres. The spacing unit for the Mesaverde side of this well is described as the S/2 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 320.00 acres.

The Rincon Unit #234 Well was completed on December 19, 1981. The Chacra Formation was tested on December 28, 1981 with an after frac gauge of 175.44 MCF/D. The Mesaverde Formation was tested on December 28, 1981 with an after frac gauge of 168.56 MCF/D. Both the Chacra and Mesaverde Formations were commingled with an after frac gauge of 344 MCF/D. The spacing unit for the Chacra side of this well is described as the NW/4 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 160.68 acres. The spacing unit for the Mesaverde side of this well is described as the N/2 of Section 2, Township 26 North, Range 7 West, N.M.P.M. containing 321.54 acres.

Attached hereto is Schedule IX showing the proposed Eighth Expanded Participating Area for the Chacra Formation in the Rincon Unit Area. This Schedule describes the Participating Area, shows the percentages of ownership in the tract. Letter to Agencies August 23, 1983 Page Three

If this Eighth Expanded Participating Area of the Chacra Formation meets with your approval, please indicate such approval in the space provided on the attached sheet and return an approved copy hereof for our files.

Copies of this letter and Schedule are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

Somes R Vermenter James R. Permenter

Director, Land Administration Land Department

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JRP/VLG/cc Enclosures Rincon Unit, 4.5

cc: Mr. Antonio Martinez Executive Director New Mexico Oil and Gas Accounting Commission P. O. Box 2308 Santa Fe, New Mexico 87501 APPROVED:

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DATED:

Bureau of Land Management (Subject to like approval by the Commissioner of Public Lands and the Oil Conservation Division)

APPROVED:

Commissioner of Public Lands (Subject to like approval by the Bureau of Land Management and the Oil Conservation Division)

APPROVED:

Oil Conservation Division

Oil Conservation Division (Subject to like approval by the Bureau of Land Management and the Commissioner of Public Lands) DATED:

DATED: 8-29-83

The foregoing approvals are for the Rincon Unit I Sec. 916, Rio Arriba County, New Mexico, Eighth Expanded Participating Area, Chacra Formation, Effective December 1, 1981. RINCON UNIT Working Interest Owners

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Burton-Hawks, Inc. Elizabeth Jeanne Turner Calloway Conoco, Inc. Tenneco Oil Company Frederick Eugene Turner James Glenn Turner, Jr. John Lee Turner The Wiser Oil Company

	EIGHTH	EXPANDED	SCHEDULE IX PARTICIPATING AREA FOR THE CH RINCON UNIT AREA	CHACRA FORMATION	2	
SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMV'TTED	PRESENT ACTUAL PARTICIPATION
			TRACT 2			
3F 079160	-N, I 11:	1,120.00 E/2		12.50%	12.50%	38.637744%
	Sec. 12: NW/4, NE/4		Working Interest El Paso Natural Gas Co. ORRI TOTAL	82.50% 5.00%	82.50% 5.00% 100.00%	
			TRACT 18			
3F 080213	R-7-W	960.00		12.50%	12.50%	33.118066%
	W/2, SW/4	5E/4	WOLKING INCLESS El Paso Natural Gas Co. ORRI TOTAL	82.50% 5.00% 100.00%	82.508 5.008 100.008	
affective De	December 1, 1981		PAGE 1			

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EIGHTH EXPANDED PARTICIPATING AREA FOR THE CHACRA FORMATION RINCON UNIT AREA SCHEDULE IX

				F 080385	4		
	14 (W)	Sec. 35: LOTS 3, 4, 5,	Sec. 34: SE/4	T-27-N, R-7-W			
	/2)	3, 4, 5,		498.04		OF ACRES	NUMBER
ORRI	El Paso Natural Gas Co.	Royalty Working Interest			TRACT 19	OWNERSHIP	DRILLING BLOCK
5.00%	82.50%	12.50%			19	PERCENT AGE	CX
5.008	82.50%	12.50%					PERCENTAGE
				17.181377%		PARTICIPATION	PRESENT ACTUAL

TOTAL

82.508 5.008 100.008

82.50% 5.00% 100.00%

ffective December 1, 1981

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PAGE 2

			PAGE 3		
	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	Royalty; Working Interest: El Paso Natural Gas Company ORRI; TOTAL	<u>T-26-N, R-7-W</u> <u>Sec. 2: SW/4</u> 160.00	3-291-35
5.519677%			TRACT 28		
	12.50% 82.50% <u>5.00%</u> 100.00%	12.50% 82.50% 5.00% 100.00%	Royalty; Working Interest: El Paso Natural Gas Company ORRI; TOTAL	<u>T-26-N, R-7-W</u> Sec. 2: Lots 3, 4, S/2 NW/4 (NW/4)	3-291-35
5.543136%			TRACT 27		
PRESENT ACTUAL PARTICIPATION	PERCENTAGE	CHACRA FORMATION	SCHEDULE IX PARTICIPATING AREA FOR THE RINCON UNIT AREA DRILLING BLOCK	EIGHTH EXPANDED	ERIAL NUMBER
				JNIT AREA EXPANSION SCHEDULE SAN JUAN BASIN	JNIT AREA EXPAN orm 21-71 (2-72)

Effective December 1, 1981

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UNIT AREA EXPANSION SCHEDULE - SAN JUAN BASIN Form 21-71 (2-72)

SCHEDULE IX EIGHTH EXPANDED PARTICIPATING AREA FOR THE CHACRA FORMATION RINCON UNIT AREA

100.00% 100.00% 100.00%	Percent of Basic Royalty Committed: Percent of Working Interest Committed: Percent of ORRI Committed:	
2,898.72 2,898.72	Total number of Acres in Participating Area: Total Number of Acres Committed to Participating Area:	
	Township 27 North, Range 7 West, N.M.P.M. Section 28: S/2 Section 33: W/2, SE/4 Section 34: S/2 Section 35: W/2	
	Township 26 North, Range 7 West, N.M.P.M. Section 2: W/2 Section 11: NW/4, E/2 Section 12: All	·
	RECAPITULATION Description of Lands in Participating Area:	
COMMITTED PRESENT ACTUAL	BER DESCRIPTION OF ACRES OWNERSHIP DRILLING BLOCK PERCENTAGE	SERIAL NUMBER

Effective December 1, 1981

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EXHIBIT "B"

RINCON UNIT RIO ARRIBA COUNTY, NEW MEXICO GEOLOGIC REPORT FOR THE PROPOSED EIGHTH EXPANSION OF THE PARTICIPATING AREA FOR THE CHACRA FORMATION

EL PASO NATURAL GAS COMPANY

By

D. E. Adams, Director Reservoir Engineering Dept.

EXHIBIT "B"

RINCON UNIT RIO ARRIBA COUNTY, NEW MEXICO

GEOLOGIC REPORT FOR THE PROPOSED EIGHTH EXPANSION

OF THE PARTICIPATING AREA FOR THE CHACRA FORMATION

INTRODUCTION

The Rincon Unit, located in the east-central portion of the San Juan Basin, is comprised of 20,471.87 acres in Townships 26 and 27 North, Ranges 6 and 7 West, Rio Arriba County, New Mexico.

Hydrocarbons are produced from four horizons of upper Cretaceous age. In descending order these are: (1) Pictured Cliffs sandstone, (2) Chacra sandstone, (3) Mesaverde Group and (4) the Dakota Producing Interval.

To date there has been extensive drilling and development of the Pictured Cliffs, Mesaverde and Dakota formations within the Rincon Unit. The completion of El Paso Natural Gas Company's No. 189 Rincon Unit well within the Chacra sand interval which occasioned the Initial Participating Area in the Rincon Unit for the Chacra pay zone needs now to be extended by the Proposed Eighth Expansion of the Participating Area to include the No. 223, 223A, 233 and 234 Rincon Unit wells which were completed in the Chacra sand interval.

The Chacra interval which produces gas in the subject well is a sand development in the middle Lewis marine shale section. These sands, which have from two to three separate benches, are correlative along the southwestern portion of the San Juan Basin.

The overall Chacra interval which is gas productive in the No. 223, 223A, 233 and 234 Rincon Unit wells, correlate to that productive Chacra interval in the initial participating area, NW/4 Section 12, Township 26 North, Range 7 West, in El Paso Natural Gas Company's No. 189 Rincon Unit well.

Included with this report is a map which represents the structural interpretation (Exhibit "C", Plate No. 1) of the Chacra sands within the Unit.

PROPOSED EIGHTH EXPANSION OF CHACRA PARTICIPATING AREA

Effective Date: December 1, 1981

The proposed Eighth Expansion of the Participating Area for the Chacra sandstone in the Rincon Unit is based on the following wells.

	Location	Completion Date	After Frac Gauge (Mcf/D)
Rincon Unit #223	I-34-27-7	12-08-81	250
Rincon Unit #223A	N-34-27-7	12-14-81	210
Rincon Unit #233	L- 2-26-7	12-24-81	175
Rincon Unit #234	E- 2-26-7	12-19-81	175

Eighth Expansion Of Participating Acreage

SE/4, SW/4 Section 34, SE/4 Section 33 SW/4 Section 35 Township 27 North, Range 7 West

> NW/4, SW/4 Section 2 Township 26 North, Range 7 West

Rio Arriba County, New Mexico

From the analysis of data obtained by completion of the above wells, the above acreage is proven to be commercial in the Chacra formation. The SE/4 Section 33 and the SW/4 Section 35, T-27-N, R-7-W are included as intervening drilling blocks.