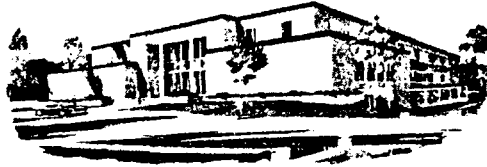




W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-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 appropriate agencies.

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,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/pm  
encs.  
cc: OCD  
BLM

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



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 Division  
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:

Union Oil Company of California is the operator of the Rincon Unit, Rio Arriba County, New Mexico. Following is the 1988 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:

<u>Completion Interval</u>	<u>Location</u>
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,

A handwritten signature in cursive script, appearing to read "Lon H. Pardue".

Lon H. Pardue  
District Operations Manager

WH:jh

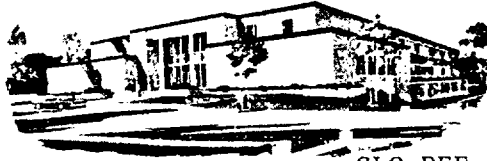
Rincon Unit Wells

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.	<u>8</u>
TOTAL	218

# State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



SLO REF. NO. OG-339

## 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 Commissioner 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

BY: *Floyd O. Prando*  
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  
Minerals Division  
435 Montana NE  
Albuquerque, NM 87107

Rincon (POB)  
3180 (015)

JUN - 1 1987

MAY 26 1987

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

Gentlemen:

One approved copy of your 1987 Plan of Development for the Rincon Unit area, Rio Arriba County, New Mexico 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,

(Orig Signed) - Sid Vogelbein

Assistant District Manager  
Mineral Resources

Enclosure

cc:

NM-016

✓NMOCD

Comm. of Pub. Lands

015:SBryant:klm:5-16-87:3061M

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

**UNOCAL** 

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,

  
Lon H. Pardue

District Operations Manager

WH:jh

Rincon Unit Wells

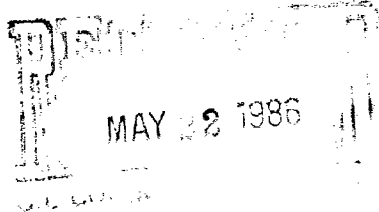
Pictured Cliffs Plugged and Abandoned	3
Pictured Cliffs in P.A.	103
Pictured Cliffs/Chacra Duals in P.A.	1
Pictured Cliffs/Mesaverde Duals in P.A.	9
Mesaverde in P.A.	28
Mesaverde Non-P.A.	2
Mesaverde/Chacra Duals in P.A.	4
Mesaverde/Dakota Duals in P.A.	6
Mesaverde/Dakota Duals Non-P.A.	5
Dakota in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



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

Rincon Unit POD  
3180 (015)

MAY 19 1986



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,

(Orig. 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



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

May 1, 1986

50 YEARS



1935 - 1985

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

#299

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,

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

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

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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";

W I T N E S S E T H , T H A T:

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

By: 

EL PASO NATURAL GAS COMPANY

By: 

Attorney-in-Fact

TENNECO OIL COMPANY

By: 

P. W. Cayce, Jr., Attorney-in-Fact

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: 

JONES COMPANY

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: \_\_\_\_\_

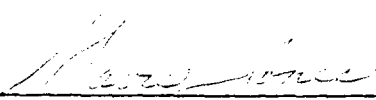
STATE OF TEXAS,                   X  
                                      X  
COUNTY OF MIDLAND.           X

The foregoing instrument was acknowledged before me this 25<sup>th</sup> 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 day and year above written.

My Commission Expires:

11-30-88

  
\_\_\_\_\_  
Notary Public

JOHN JONES  
Notary Public  
Midland Co. Texas

THE STATE OF TEXAS  
COUNTY OF El Paso

BEFORE ME, the undersigned authority, on this day personally appeared Gomes, R. Reminter, Attorney-in-Fact, 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 Paso Natural Gas Company, 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 11th day of March, A. D. 1986.

[Signature]  
Notary Public in and for El Paso  
County, Texas.

STATE OF COLORADO )  
 ) ss.  
COUNTY OF ARAPAHOE )

ACKNOWLEDGEMENT - CORPORATION

On this 2nd day of April, 1986, before me, a notary public in and for the above County and State, personally appeared P. W. Cayce, Jr., known to me to be the Attorney-in-Fact of Tenneco Oil Company, a corporation, and acknowledged that such corporation executed the foregoing instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:

6-24-89

Charlotte Flanagan  
Notary Public  
Residing at: Denver, Colorado

Notary Public in and for \_\_\_\_\_  
County, Texas.

THE STATE OF New Mexico  
COUNTY OF Lea

BEFORE ME, the undersigned authority, on this day personally appeared Donald W. Johnson, 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 Conoco Inc., 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 22nd day of April, A. D. 1986.

My Commission Expires:  
APR 11 1988  
NOTARY PUBLIC  
STATE OF NEW MEXICO

Carol O. Garbrough  
Notary Public in and for Lea  
County, New Mexico.

ILLEGIBLE

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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: *[Signature]* 7/2/86

Attorney-in-Fact

EL PASO NATURAL GAS COMPANY

By: *James R. Rembert*

Attorney-in-Fact

TENNECO OIL COMPANY

By: \_\_\_\_\_

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: \_\_\_\_\_

JONES COMPANY

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: \_\_\_\_\_

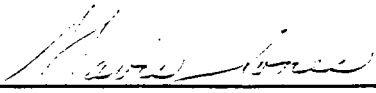


STATE OF TEXAS,                   X  
  X  
COUNTY OF MIDLAND.           X

The foregoing instrument was acknowledged before me this 25<sup>th</sup> 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 day and year above written.

My Commission Expires:  
11-30-88

  
\_\_\_\_\_  
Notary Public  
JAMES JONES  
Notary Public  
Midland Co. Texas

ILLEGIBLE

THE STATE OF TEXAS  
COUNTY OF El Paso

BEFORE ME, the undersigned authority, on this day personally appeared James R. Permuter Attorney at Law, 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 Paso Natural Gas Company, a corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

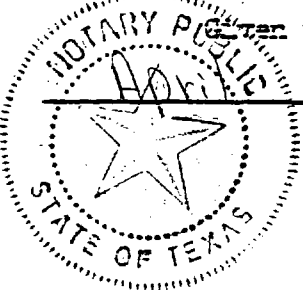
Given under my hand and seal of office, this the 10th day of March, A. D. 19 86.

Notary Public in and for El Paso  
County, Texas.

THE STATE OF TEXAS  
COUNTY OF Shackelford

BEFORE ME, the undersigned authority, on this day personally appeared A. V. Jones Jr., 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 Managing Partner of Jones Company, a Partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 16th day of \_\_\_\_\_, A. D. 19 86.



Charlotte Taggart  
Notary Public in and for \_\_\_\_\_  
County, Texas.  
CHARLOTTE TAGGART, Notary Public  
In and for the State of Texas  
My Commission Expires 05/09/87

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.

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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";

W I T N E S S E T H , T H A T :

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: *James R. Leimer* *7/1/86*  
Attorney-in-Fact *SL*

EL PASO NATURAL GAS COMPANY

By: *James R. Leimer*  
Attorney-in-Fact

TENNECO OIL COMPANY

By: \_\_\_\_\_

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: \_\_\_\_\_

JONES COMPANY

By: \_\_\_\_\_

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

By: Beryl Barrett McManan

H. R. STASNEY AND SONS COMPANY

By: \_\_\_\_\_

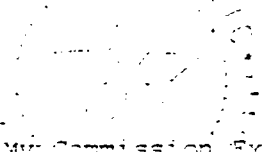
WISER OIL COMPANY

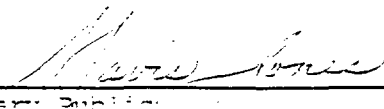
By: \_\_\_\_\_

STATE OF TEXAS,                   X  
                                      X  
COUNTY OF MIDLAND.           X

The foregoing instrument was acknowledged before me this 25<sup>th</sup> 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 day and year above written.

  
My Commission Expires:  
11-30-88

  
\_\_\_\_\_  
Notary Public  
MARVIN JONES  
Notary Public  
Midland Co. Texas

ILLEGIBLE

THE STATE OF TEXAS  
COUNTY OF El Paso

BEFORE ME, the undersigned authority, on this day personally appeared James R. Perimeter Attorney at Law, 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 Paso National Bank, 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 10th day of March, A. D. 1986.

John A. Sanchez  
Notary Public in and for El Paso  
County, Texas.

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\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, Texas.

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\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_  
County, Texas.

ILLEGIBLE

THE STATE OF TEXAS  
COUNTY OF HARRIS

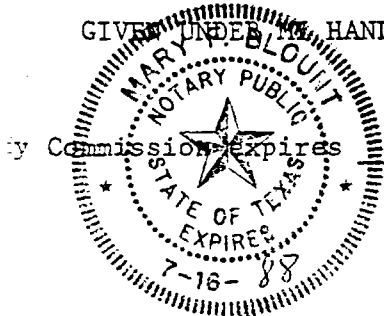
I  
I

SINGLE ACKNOWLEDGMENT

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

known to me to be the identical person whose name was/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.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of April, A.D. 1986



My Commission expires July 16, 1988

Mary J. Blount  
Notary Public in and for \_\_\_\_\_  
County, Texas

THE STATE OF TEXAS  
COUNTY OF

I  
I

SINGLE ACKNOWLEDGMENT

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

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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";

W I T N E S S E T H , T H A T:

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:

*[Signature]* 2101  
Attorney-in-Fact 34

EL PASO NATURAL GAS COMPANY

By:

*James R. Reimer*  
Attorney-in-Fact

TENNECO OIL COMPANY

By: \_\_\_\_\_



RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: \_\_\_\_\_

JONES COMPANY

By: \_\_\_\_\_

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

By: \_\_\_\_\_

H. R. STASNEY AND SONS COMPANY

By: H. R. Stasney  
H. R. STASNEY  
MANAGING PARTNER


WISER OIL COMPANY

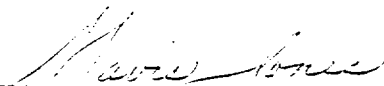
By: \_\_\_\_\_

STATE OF TEXAS,                   X  
   X  
COUNTY OF MIDLAND.           X

The foregoing instrument was acknowledged before me this 25<sup>th</sup> 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 day and year above written.

  
My Commission Expires:  
11-30-88

  
\_\_\_\_\_  
Notary Public  
VINCE JONES  
Notary Public  
Midland Co. Texas

ILLEGIBLE

THE STATE OF TEXAS  
COUNTY OF El Paso

BEFORE ME, the undersigned authority, on this day personally appeared James R. Permenter, Attorney at Law, 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 Paso Natural Gas Company, 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 10th day of March, A. D. 19 86.

John A. Zander  
Notary Public in and for El Paso  
County, Texas.

THE STATE OF TEXAS  
COUNTY OF SHACKELFORD

BEFORE ME, the undersigned authority, on this day personally appeared H. R. STASNEY, MANAGING PARTNER, known to me to be the person ~~XXXXXX~~ whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of said H. R. STASNEY & SONS COMPANY, a ~~corporation~~, partnership, 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 April, A. D. 19 86.

Linda Davis LINDA DAVIS  
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.

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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";

W I T N E S S E T H , T H A T:

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: [Signature] 2501  
Attorney-in-Fact 26

EL PASO NATURAL GAS COMPANY  
EL PASO NATURAL GAS COMPANY

By: James R. Reimer  
Attorney-in-Fact

TENNECO OIL COMPANY

By: \_\_\_\_\_

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: \_\_\_\_\_

JONES COMPANY

By: \_\_\_\_\_

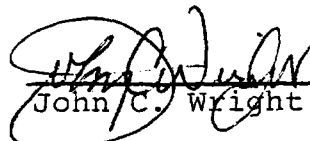
BERYL BARRETT McMAHAN, Independent  
Executor of the Estate of William  
Calvin McManan, Deceased

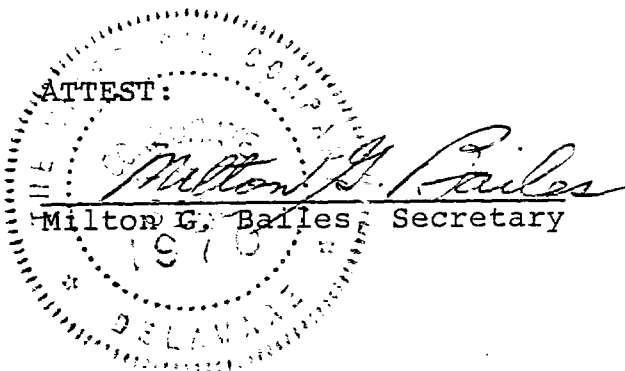
By: \_\_\_\_\_

H. R. STASNEY AND SONS COMPANY

By: \_\_\_\_\_

THE WISER OIL COMPANY

By:   
John C. Wright, President




STATE OF TEXAS,                   X  
  X  
COUNTY OF MIDLAND.           X

The foregoing instrument was acknowledged before me this 25<sup>th</sup> 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 day and year above written.

My Commission Expires:  
11-25-88

  
\_\_\_\_\_  
Notary Public  
JAMES JONES  
Notary Public  
Midland Co. Texas

ILLEGIBLE

THE STATE OF TEXAS

COUNTY OF El Paso

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

James R. Permuter Attorney at Law  
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 Paso National Bank, 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 10th day of

March, A. D. 19 86.

James R. Permuter  
Notary Public in and for El Paso  
County, Texas.

THE STATE OF ~~XXXXXX~~ WEST VIRGINIA

COUNTY OF TYLER

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

John C. Wright, President

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 The Wiser oil Company, 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 16th day of

April, A. D. 19 86.

My Commission Expires

November 13, 1988

Betty L. Blatt  
Notary Public in and for Tyler  
County, ~~XXXXXX~~ WEST VIRGINIA.

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 \_\_\_\_\_.

Notary Public in and for \_\_\_\_\_  
County, Texas.

**ILLEGIBLE**



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

May 1, 1986

50 YEARS



1935 - 1985

POST OFFICE 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,

ROY E. JOHNSON  
Sr. Petroleum Geologist

REJ/dr



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



Wayne W. Strong  
District Land Manager  
Midland District

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

Dear Mr. Prando:

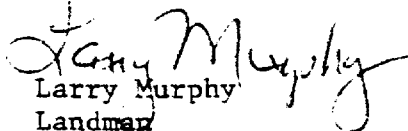
Enclosed please find one (1) original and two (2) copies of the Resignation of Unit Operator and Designation of Successor Unit Operator for the Rincon Unit.

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.

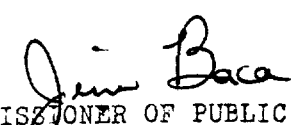
If you have any questions, please call me collect at (915) 682-9731. Thank you in advance for your cooperation and prompt attention to this matter.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

  
Larry Murphy  
Landman

LM  
Encls.-Designation of Unit Operator

Approved..... <u>4/29/86</u>
 COMMISSIONER OF PUBLIC LANDS

State of New Mexico

#299



JIM BACA  
COMMISSIONER

Commissioner of Public Lands

April 29, 1986

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

Union Oil Company of California  
Attn: Mr. Larry Murphy  
P. 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, New 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 Management.

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: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

JB/FOP/pm  
encls.

cc: OCD-Santa Fe, New Mexico ATTN: ROY JOHNSON  
OGAD-Santa Fe, New Mexico  
BLM-Albuquerque, New Mexico

Rincon UT

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

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

By:

*Samuel C. Terry*  
Attorney-in-Fact

EL PASO NATURAL GAS COMPANY

By:

*James R. Reimenter*  
Attorney-in-Fact

TENNECO OIL COMPANY

By:

*P. W. Cayce, Jr.*  
P. W. Cayce, Jr., Attorney-in-Fact

dcA

RESIGNATION OF UNIT OPERATOR  
AND  
DESIGNATION OF SUCCESSOR UNIT OPERATOR

CONOCO, INC.

By: Donald W. Gibson

JONES COMPANY

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: \_\_\_\_\_

STATE OF TEXAS,  
COUNTY OF MIDLAND.

The foregoing instrument was acknowledged before me this 25<sup>th</sup>-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 day and year above written.

My Commission Expires:

11-30-88

Mavis Jones  
Notary Public

**MAVIS JONES**  
Notary Public  
Midland Co. Texas

THE STATE OF TEXAS

COUNTY OF El Paso

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

James R. Carrister, Attorney-in-Fact,  
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 Paso Natural Gas Company, 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 10<sup>th</sup> day of

March, A. D. 1986.

MAE A. BARNETT, Notary Public  
in and for the State of Texas

My commission expires: 9-30-87

Mae A. Barnett  
Notary Public in and for El Paso  
County, Texas.

STATE OF COLORADO )

) ss.

ACKNOWLEDGEMENT - CORPORATION

COUNTY OF ARAPAHOE )

On this 2nd day of April, 1986, before me, a notary public in  
and for the above County and State, personally appeared P. W. Cayce, Jr.,  
known to me to be the Attorney-in-Fact of Tenneco Oil Company,  
a corporation, and acknowledged that such corporation executed the foregoing instrument.  
WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:

6-24-89

Charlotte Flanagan  
Notary Public  
Residing at: Denver, Colorado

Notary Public in and for \_\_\_\_\_  
County, Texas.

THE STATE OF New Mexico

COUNTY OF Lea

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

Donald W. Johnson,  
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 Conoco Inc., 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 22<sup>nd</sup> day of

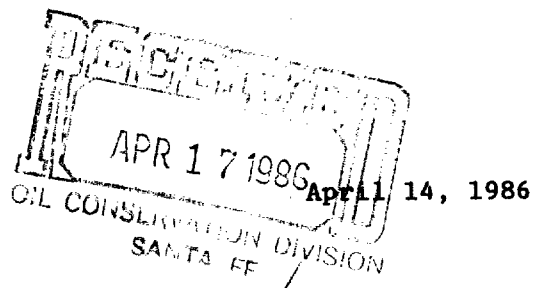
April, A. D. 1986.

My Commission Expires  
4/11/88.

Cecil Oyarbrough  
Notary Public in and for Lea  
County, ~~Texas~~  
New Mexico.

**ILLEGIBLE**

# MERIDIAN OIL



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

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
	<hr/>
	218

April 14, 1986

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,



Alan Alexander *AA*  
District Land Manager

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



APPROVED: \_\_\_\_\_

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

DATED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

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

DATED: \_\_\_\_\_

APPROVED:  \_\_\_\_\_

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

DATED: 4-21-86

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

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

## Commissioner of Public Lands

April 24, 1986

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: *Floyd O. Prando*  
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



Wayne W. Strong  
District Land Manager  
Midland District

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*  
Larry Murphy  
Landman

LM

Encls.-Designation of Unit Operator

RECEIVED  
APR 28 1986  
OIL CON. DIV. 1  
DIST. 3



# United States Department of the Interior

IN REPLY REFER TO:

Rincon Unit  
(015)

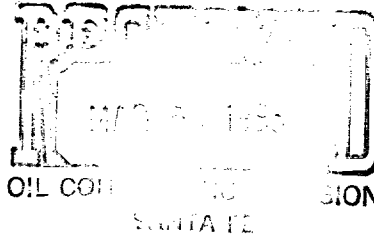
## BUREAU OF LAND MANAGEMENT ALBUQUERQUE DISTRICT OFFICE

505 Marquette, N.W.

P.O. Box 6770

Albuquerque, New Mexico 87197-6770

# 299



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 Rincon Unit 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

State of New Mexico



JIM BACA  
COMMISSIONER



Commissioner of Public Lands

May 3, 1985

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148  
Express Mail Delivery Used  
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 calendar 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

BY: *Ray D. Graham*  
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 Attn: Fluids Branch  
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

# 299

**El Paso**  
Exploration Company

P.O. BOX 4189  
FARMINGTON, NEW MEXICO 87499-4189  
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)	<u>1</u>
	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.

February 22, 1985


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,

  
Alan Alexander  
District Land Manager

AA:DMP:ld  
attachment  
Rincon Unit, 3.0




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

DATED: \_\_\_\_\_

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

DATED: \_\_\_\_\_

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

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.

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)

#299

State of New Mexico



JIM BACA  
COMMISSIONER



Commissioner of Public Lands

April 23, 1984

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

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

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 calendar 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

**El Paso**  
Natural Gas Company

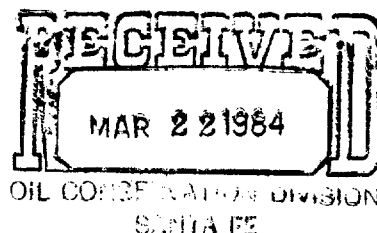
P. O. BOX 1492  
EL PASO, TEXAS 79978  
PHONE: 915-541-2600

March 14, 1984

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 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
	<u>217</u>

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

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,



D. N. Canfield

Attorney-in-Fact



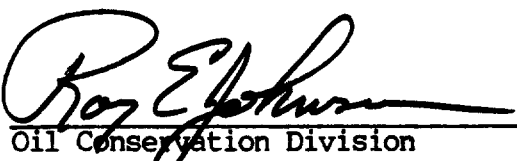
DNC/VLG/cc  
Attachment  
Rincon Unit, 3.0

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

DATED: \_\_\_\_\_

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

DATED: \_\_\_\_\_

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

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.

Tenneco Oil Company

Frederick Eugene Turner

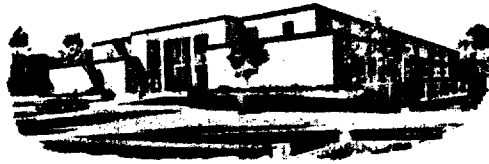
James Glenn Turner, Jr.

John Lee Turner

The Wiser Oil Company

Petro-Lewis Corporation

# State of New Mexico



JIM BACA  
COMMISSIONER

## Commissioner of Public Lands

January 24, 1984

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

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



# State of 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.

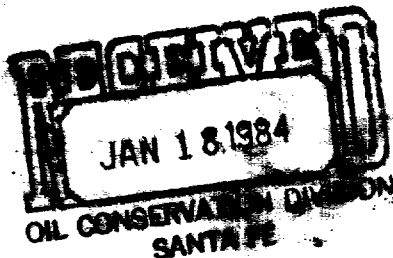
Very Truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*  
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



Rincon Unit

JAN 16 1984

El Paso Natural Gas Company  
Attention: Mr. Van L. Corbuel  
PO Box 1492  
El Paso, Texas 79978

Gentlemen:

Your application of August 26, 1983, requesting approval of the 14th revision, Reservoir participating area Rincon Unit, Rio Arriba County, New Mexico, was approved on this date by the District Manager, Albuquerque, New Mexico, effective as of December 1, 1983.

The 14th revision adds 661.54 acres described as the S/2 section 34 T. 27 N., R. 7 W. and Lots 1, 2, 3, and 4, S/2NW/4, S/2SE/4 (N/2) section 2, T. 26 N., R. 7 W., NMPN. Contributing to this area is the completion of the Rincon Unit well No. 223 located in the SE/4 section 34, T. 27 N., R. 7 W. and the Rincon Unit well No. 234 located in the NW/4 section 2, T. 26 N., R. 7 W.

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

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

For District Manager

ILLEGIBLE

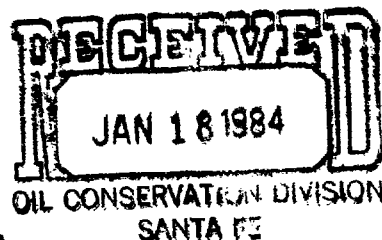
cc: (Comm of Pub Lands, Santa Fe)  
(HMOCB, Santa Fe)  
FRAH (W/encl)  
Denver Acctg  
File  
Chrono  
RBartel

015:RBartel:dg0116P:1/5/84

Rincon Unit

JAN 16 1984

El Paso Natural Gas Company  
Attention: Mr. Van L. Goebel  
PO Box 1492  
El Paso, Texas 79978



Gentlemen:

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

The eighth revision adds 969.86 acres described as the SW/4, Lots 4, and 4, S/2NW/4 (NW/4) section 2, T. 26 N. R. 7 W. SE/4 section 33, S/2 section 34, and Lots 11, 12, 13 and 14 (SW/4) section 35, T. 27 N., R. 7 W., NMPN. Contributing to this area is the completion of Rincon Unit wells 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 Mexico and other interested parties with appropriate evidence of this approval.

Sincerely yours,

(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  
GOVERNOR

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,

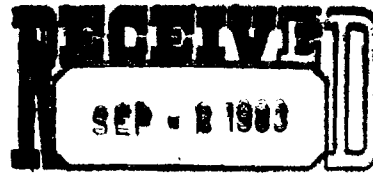
A handwritten signature in cursive script, reading "Roy E. Johnson".

ROY E. JOHNSON  
Petroleum Geologist

REJ/dp

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

**El Paso**  
Exploration Company



OIL CONSERVATION DIVISION  
SANTA FE

August 26, 1983

File #299  
P. O. BOX 1492  
EL PASO, TEXAS 79978  
PHONE: 915-541-2600

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

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

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.

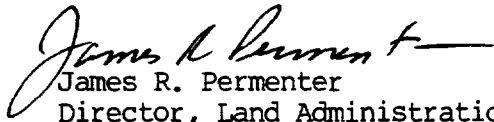
Bureau of Land Management  
Commissioner of Public Lands  
Oil Conservation Division  
August 26, 1983  
Page Three

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,

  
James R. Permenter  
Director, Land Administration  
Land Department *RL*

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

DATED: \_\_\_\_\_

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

DATED: \_\_\_\_\_

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

DATED: 9-29-83

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

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 079052	T-27-N, R-6-W	520.00				
	Sec. 17: W/2 SE/4, SE/4 SE/4, SW/4		Royalty;	12.50%	12.50%	4.520650
	Sec. 18: SE/4, E/2 SW/4		Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Tract 1						
SF 079160	T-26-N, R-7-W	960.60				
	Sec. 1: Lots 3,4, S/2 NW/4, SW/4 (W/2)		Royalty;	12.50%	12.50%	8.351032
	Sec. 11: All		Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Tract 2						
SF 079298	T-27-N, R-7-W	336.22				
	Sec. 13: Lots 1,2, 3,4,5,6,7,8 (S/2)		Royalty;	12.50%	12.50%	2.922948
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Tract 3						

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 079298-A	T-27-N, R-7-W Sec. 14: NW/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50%  74.06% 13.44% 100.00%	12.50%  74.06% 13.44% 100.00%	1.39096
			TOTAL			
			Tract 4			
						0.00000
SF 079298-C	T-27-N, R-7-W Sec. 24: Lots 1,2,3, 4,5,6,7,8 (N/2)	352.07	Royalty; Working Interest: El Paso Natural Gas Co.; J. Glenn Turner and Wm. G. Webb; ORRI;	12.50%  28.13% 28.12% 31.25% 100.00%	00.00%  00.00% 00.00% 00.00% 00.00%	3.749706
			TOTAL			
			Tract 6			
SF 079298-D	T-27-N, R-7-W Sec. 13: N/2 Sec. 14: Lots 7,9,10 (NE/4 SW/4, S/2 SW/4)	431.32	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50%  82.50% 5.00% 100.00%	12.50%  82.50% 5.00% 100.00%	2.781938
			TOTAL			
			Tract 12			
SF 079360	T-27-N, R-7-W Sec. 15: E/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50%  82.50% 5.00% 100.00%	12.50%  82.50% 5.00% 100.00%	
			TOTAL			

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
Tract 13							
SF 079364	T-27-N, R-6-W	959.49					
	Sec. 28: N/2		Royalty;	12.50%	12.50%		
	Sec. 29: S/2		Working Interest:				
	Sec. 30: N/2		El Paso Natural Gas Co.;	80.00%	80.00%		
			ORRI;	7.50%	7.50%		
			TOTAL	100.00%	100.00%		
Tract 14							
SF 079364	T-27-N, R-6-W	639.59					
	Sec. 29: N/2		Royalty;	12.50%	12.50%		
	Sec. 30: S/2		Working Interest:				
			El Paso Natural Gas Co.;	77.00%	77.00%		
			ORRI;	10.50%	10.50%		
			TOTAL	100.00%	100.00%		
Tract 14							
SF 079365-A	T-27-N, R-6-W	200.00					
	Sec. 22: NE/4,		Royalty;	12.50%	12.50%		
	NE/4 SE/4		Working Interest:				
			El Paso Natural Gas Co.;	77.00%	77.00%		
			ORRI;	10.50%	10.50%		
			TOTAL	100.00%	100.00%		
Tract 14							
SF 079365-A	T-27-N, R-6-W	640.00					
	Sec. 23: All		Royalty;	12.50%	12.50%		
			Working Interest:				
			El Paso Natural Gas Co.	80.00%	80.00%		
			ORRI;	7.50%	7.50%		
			TOTAL	100.00%	100.00%		

SCHEDULE XV  
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERT DE FORMATION  
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
Tract 15						
079366	T-27-N, R-6-W	759.40	Royalty;	12.50%	12.50%	6.601888%
	Sec. 19: S/2		Working Interest;			
	Sec. 21: S/2		El Paso Natural Gas Co.	77.00%	77.00%	
	Sec. 22: W/2 SW/4, SE/4 SE/4		ORRI;	10.50%	10.50%	
			TOTAL	100.00%	100.00%	
Tract 15 (continued)						
079366	T-27-N, R-6-W	160.00	Royalty;	12.50%	12.50%	1.390969%
	Sec. 22: W/2 NW/4, SE/4 SW/4, SW/4 SE/4		Working Interest;			
			El Paso Natural Gas Co.	80.00%	80.00%	
			ORRI;	7.50%	7.50%	
			TOTAL	100.00%	100.00%	
Tract 15-A						
079366	T-27-N, R-6-W	320.00	Royalty;	12.50%	12.50%	2.781938%
	Sec. 20: N/2		Working Interest;			
			El Paso Natural Gas Co.	77.00%	77.00%	
			ORRI;	10.50%	10.50%	
			TOTAL	100.00%	100.00%	
Tract 15-A (continued)						
079366	T-27-N, R-6-W	1,279.32	Royalty;	12.50%	12.50%	11.121843%
	Sec. 19: N/2		Working Interest;			
	Sec. 20: S/2		El Paso Natural Gas Co.	80.00%	80.00%	
	Sec. 21: N/2		ORRI;	7.50%	7.50%	
	Sec. 27: N/2			100.00%	100.00%	

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 079367-A	T-27-N, R-6-W Sec. 26: N/2	320.00	Tract 16			2.781939
	Royalty;			12.50%		
	Working Interest:					
	El Paso Natural Gas Co.;			77.00%		
	ORRI;			10.50%		
	TOTAL			100.00%		
SF 079367-A	T-27-N, R-6-W Sec. 26: S/2	320.00	Tract 17			2.781939
	Royalty;			12.50%		
	Working Interest:					
	El Paso Natural Gas Co.;			80.00%		
	ORRI;			7.50%		
	TOTAL			100.00%		
SF 079404-A	T-27-N, R-6-W Sec. 18: Lots 1, 2, 3 and 4	157.76	Tract 18			2.781939
	Royalty;			12.50%		
	Working Interest:					
	El Paso Natural Gas Co.;			86.50%		
	ORRI;			1.00%		
	TOTAL			100.00%		
SF 080213	T-27-N, R-7-W Sec. 34: W/2	320.00	Tract 18			2.781939
	Royalty;			12.50%		
	Working Interest:					
	El Paso Natural Gas Co.;			82.50%		
	ORRI;			5.00%		
	TOTAL			100.00%		

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 080385	<u>T-27-N, R-7-W</u> Sec. 34: E/2	320.00				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>	<u>2.781939</u>
			TOTAL			
			Tract 19			
NM 012209	<u>T-27-N, R-7-W</u> Sec. 14: Lots 1,2,3, 4,5,6,8,11, 12, (E/2, NW/4 SW/4)	337.63				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 81.50% 6.00% <u>100.00%</u>	12.50% 81.50% 6.00% <u>100.00%</u>	<u>2.935206</u>
			TOTAL			
			Tract 20			
NM 013654	<u>T-27-N, R-6-W</u> Sec. 17: N/2, NE/4 SE/4 Sec. 18: NE/4, E/2 NW/4	600.00				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 81.50% 6.00% <u>100.00%</u>	12.50% 81.50% 6.00% <u>100.00%</u>	<u>5.216135</u>
			TOTAL			
			Tract 21			
E-290-28	<u>T-27-N, R-6-W</u> Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 77.50% 10.00% <u>100.00%</u>	12.50% 77.50% 00.00% <u>90.00%</u>	<u>3.825166</u>
			TOTAL			
			Tract 24			

Effective December 1, 1981

SCHEDULE XV  
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERT DE FORMATION  
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
E-290-28	T-27-N, R-6-W Sec. 16: NE/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>1.390969%</u>
			TOTAL			
			Tract 25			
E-291-3	T-26-N, R-7-W Sec. 2: Lots 1,2, S/2 NE/4, SE/4 (E/2)	320.76	Royalty; Working Interest: The Wiser Oil Company ORRI;	12.50% 87.50% .00% 100.00%	12.50% 87.50% .00% 100.00%	<u>2.788546%</u>
			TOTAL			
			Tract 26			
E-291-35	T-26-N, R-7-W Sec. 2: Lot 3,4, S/2 NW/4 (NW/4)	160.68	Royalty; Working Interest: El Paso Natural Gas Co. ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>1.396881%</u>
			TOTAL			
			Tract 27			
E-294-35	T-26-N, R-7-W Sec. 2: SW/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>1.390969%</u>
			TOTAL			
			Tract 28			



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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
E-6443-4	<u>T-27-N, R-6-W</u>	<u>40.00</u>				<u>0.347742</u>
	Sec. 16: NE/4 SE/4		Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
			<u>Tract 29</u>			
Patented	<u>T-27-N, R-6-W</u>	<u>160.00</u>				<u>1.390969</u>
	Sec. 22: E/2 NW/4,		Royalty;	12.50%	12.50%	
	NE/4 SW/4,		Working Interest:			
	NW/4 SE/4		El Paso Natural Gas Co.;	75.00%	75.00%	
			ORRI;	12.50%	12.50%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
			<u>Tract 30</u>			

SCHEDULE XV  
FOURTEENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERT DE 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

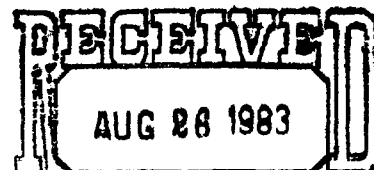
Total Number of Acres in Participating Area:

11,854.84

Total Number of Committed Acres in Participating Area:

11,502.77

\*Not Committed to Unit



P. O. BOX 79978  
EL PASO, TEXAS 79978  
CONSERVATION DIVISION  
SANTA FE  
PHONE: 915-543-2600

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

<u>Drilling Block</u>	<u>Acres</u>	<u>Well No.</u>
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

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.

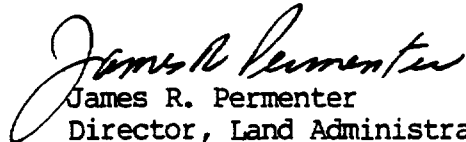
Attached hereto is Schedule IX showing the proposed Eighth Expanded Participating Area for the Chacra Formation in the Rincon Unit Area. This Schedule describes the Participating Area, shows the percentages of ownership in the tract.

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,

  
James R. Permenter  
Director, Land Administration  
Land Department ~~USA~~

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:

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

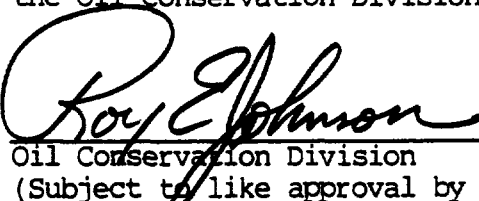
DATED: \_\_\_\_\_

APPROVED:

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

DATED: \_\_\_\_\_

APPROVED:

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

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

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

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
3F 079160	TRACT 2					
	T-26-N, R-7-W	1,120.00				
	Sec. 11: NW/4, E/2		Royalty	12.50%	12.50%	38.637744%
	Sec. 12: NW/4, S/2, NE/4		Working Interest	82.50%	82.50%	
			El Paso Natural Gas Co. ORRI	5.00%	5.00%	
		TOTAL	100.00%	100.00%		
TRACT 18						
3F 080213	T-27-N, R-7-W	960.00				
	Sec. 28: S/2		Royalty	12.50%	12.50%	33.118066%
	Sec. 33: W/2, SE/4		Working Interest	82.50%	82.50%	
	Sec. 34: SW/4		El Paso Natural Gas Co. ORRI	5.00%	5.00%	
			TOTAL	100.00%	100.00%	

Effective December 1, 1981



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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
F 080385	T-27-N, R-7-W	498.04				17.181377%
	Sec. 34: SE/4					
	Sec. 35: LOTS 3, 4, 5, 6, 11, 12, 13, 14 (W/2)		Royalty Working Interest El Paso Natural Gas Co. ORRI	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	
			TOTAL	100.00%	100.00%	

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
3-291-35	<u>T-26-N, R-7-W</u>	160.68				5.543136%
	<u>Sec. 2: Lots 3, 4,</u>					
	<u>S/2 NW/4 (NW/4)</u>					
			<u>TRACT 27</u>			
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Company	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	
			<u>TRACT 28</u>			
						5.519677%
3-291-35	<u>T-26-N, R-7-W</u>	160.00				5.519677%
	<u>Sec. 2: SW/4</u>					
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Company	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	

Effective December 1, 1981

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

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		

RECAPITULATION

Description of Lands in Participating Area:

Township 26 North, Range 7 West, N.M.P.M.

Section 2: W/2

Section 11: NW/4, E/2

Section 12: All

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

Total number of Acres in Participating Area:

Total Number of Acres Committed to

Participating Area:

Percent of Basic Royalty Committed:

Percent of Working Interest Committed:

Percent of ORRI Committed:

2,898.72

2,898.72

100.00%

100.00%

100.00%

Effective December 1, 1981

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.

	<u>Location</u>	<u>Completion Date</u>	<u>After Frac Gauge (Mcf/D)</u>
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.