

APPLICATION FOR DISQUALIFICATION FROM THE BASIN FRUITLAND COAL GAS
PARTICIPATING AREA - RINCON UNIT - RIO ARriba COUNTY, NEW MEXICO

Duane Spencer
Chief of Reservoir Management
Bureau of Land Management - Minerals Division
1235 La Plata Highway
Farmington, New Mexico 87401

Union Oil Company of California, as unit operator of the Rincon Unit, respectfully submits for your approval the following described lands to constitute disqualification from the participating area for the Basin Fruitland Coal Gas producing formation, to wit:

TOWNSHIP 27 NORTH, RANGE 6 WEST, N.M.P.M.

Section 30: North/2

Containing 320 acres, more or less


In support of this application, and in addition to the geologic and engineering reports, the following are attached:

- 1) Structure Top - Basin Fruitland Coal Gas Formation
- 2) Basin Fruitland Coal Gas Formation Gross Isopach
- 3) Type Log
- 4) Rincon Unit #265 Fruitland Coal Gas Production Decline Curve
- 5) Rincon Unit #265 Fruitland Coal Gas Economics
- 6) Applicant's Statement and Affidavit

This application is predicated on six months of actual production history from the Rincon Unit #265 well which first delivered on September 7, 1990.

Applicant respectfully requests your approval of the hereinabove selection of lands to constitute disqualification from the Basin Fruitland Coal Gas Formation participating area, to be effective September 1, 1990.

Dated this 22nd day of July, 1991.



Bill Hering
District Petroleum Engineer
Union Oil Company of California

Well Summary

Well Name: Rincon Unit #265

Location: 1380'FNL, 1842'FEL, Sec 30, T27N, R6W

Elevation: 6583' GL

Total Depth: 3133'

Lease Number: SF-079364

Pool/Formation: Basin Fruitland Coal Gas

Spud Date: 6-23-90

Completion Date: 7-19-90

1st Delivery Date: 9-7-90

Perf'd Interval: 2940-2944, 2949-2953, 2955-2957, 2958-2961,
2962-2967, 3035-3049, 3051-3056, 3057-3072.

Geologic Summary

The Fruitland Formation was deposited in a coastal plain environment landward of the Pictured Cliffs strandline. It consists of shales, siltstones, sandstones and coal. The coals were deposited in low-lying areas such as lagoons, swamps and bayous behind the barrier islands, bars, and beaches of the Pictured Cliffs sandstone. The coal is best developed in the basal Fruitland, and extends aurally over the entire basin with the exception of a small region on the eastern margin. Net coal varies from 20 to 80 feet thick with the thickest sections being in the north-central part of the basin. The Rincon Unit coals range in thickness from 30 to 70 feet and in some areas of the unit are split into an upper and a basal coal zone. The coal itself is considered High Volatile C Bituminous in rank. Regional dip is 1 to 2 degrees to the northeast, and structure does not appear to be a factor in natural gas entrapment anywhere in the area of the unit.

Engineering Summary

The Rincon Unit #265 was drilled and completed by Union Oil Company of California as a Basin Fruitland Coal Gas producer in 1990. Surface pipe measuring 8-5/8" was set at 356 feet and cemented with 350 sacks to surface. Production casing measuring 4-1/2" was then set at 3127 feet and cemented in two stages to surface with 800 sacks cement. After drilling out to PBTD of 3118' the lower coal zone was perforated from 3035'- 3072' with 4 shots per foot and fracture stimulated with 242,500# 20/40 sand, 0.96 MMSCF N2 and 25,800 gallons cross-linked gel water. The upper coal zone was perforated from 2940'- 2961' with 4 shots per foot and fracture stimulated with 103,000# 20/40 sand, 0.44 MMSCF N2 and 12,620 gallons cross-linked gel water. The recorded initial potential and 24 hour shut-in pressure were 81 MCFD and 710 psi, respectively. The well was first delivered to the El Paso Natural Gas pipeline system on September 7, 1990. The current deliverability for the well against a 150# line pressure is 32 MCFD.

Volumetrics calculated on the below-listed parameters yields a recoverable gas volume of 0.46 Bcf.

Net Pay: 55 ft
Drainage area: 160 acres
Gas Content: 150 SCF/ton
Tonnage Factor: 2064 tons/acre-feet (from density log)
Recovery Factor: 17%

Economics

Completion Cost: \$304,000
Royalty Burden: 19.00%
Gas Price: \$1.20/MMBTU
Operating Cost: \$300/month
Tax Credit: \$0.84/MMBTU constant
Production Rate: Maximum - 72 MCFD, Current - 35 MCFD,
No associated water production

Economics based on the above are attached. Given the investment cost to complete this well payout will not occur. Compared with net total revenue this Basin Fruitland Coal Gas well will not produce in economic quantities above operating costs.

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

APPLICANT'S STATEMENT AND AFFIDAVIT

BEFORE ME, the undersigned authority on this day personally appeared Bill Hering, District Petroleum Engineer, known to me to be the person whose name is subscribed to this instrument, who, having been by me first duly sworn, upon oath states as follows:

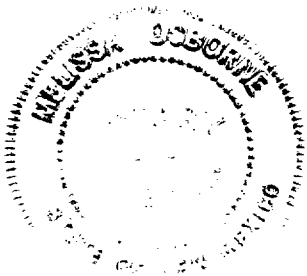
- 1) That this Statement and Affidavit is made concerning this application for disqualification from the Basin Fruitland Coal Gas participating area in the Rincon Unit, in the N/2 Section 30, T27N-R6W, comprising 320.00 acres.
- 2) That to the best of his information, knowledge and belief, the information supplied is true.
- 3) That notice of this application has been mailed or delivered to the Rincon Unit working interest owners in accordance with the unit agreement and the unit operating agreement.
- 4) That he certifies that the information and data contained in the application are true and correct and that all copies of records or summaries of such records relied upon in the application are true, correct and authentic copies of documents on file in the offices of Union Oil Company of California.
- 5) That he is of lawful age, that he is a responsible official of Union, that he is duly authorized to make this Statement and Affidavit on behalf of Union, that he has knowledge of the facts contained herein, that this Statement and Affidavit is true and correct, and that he adopts the allegations herein as his sworn statement.

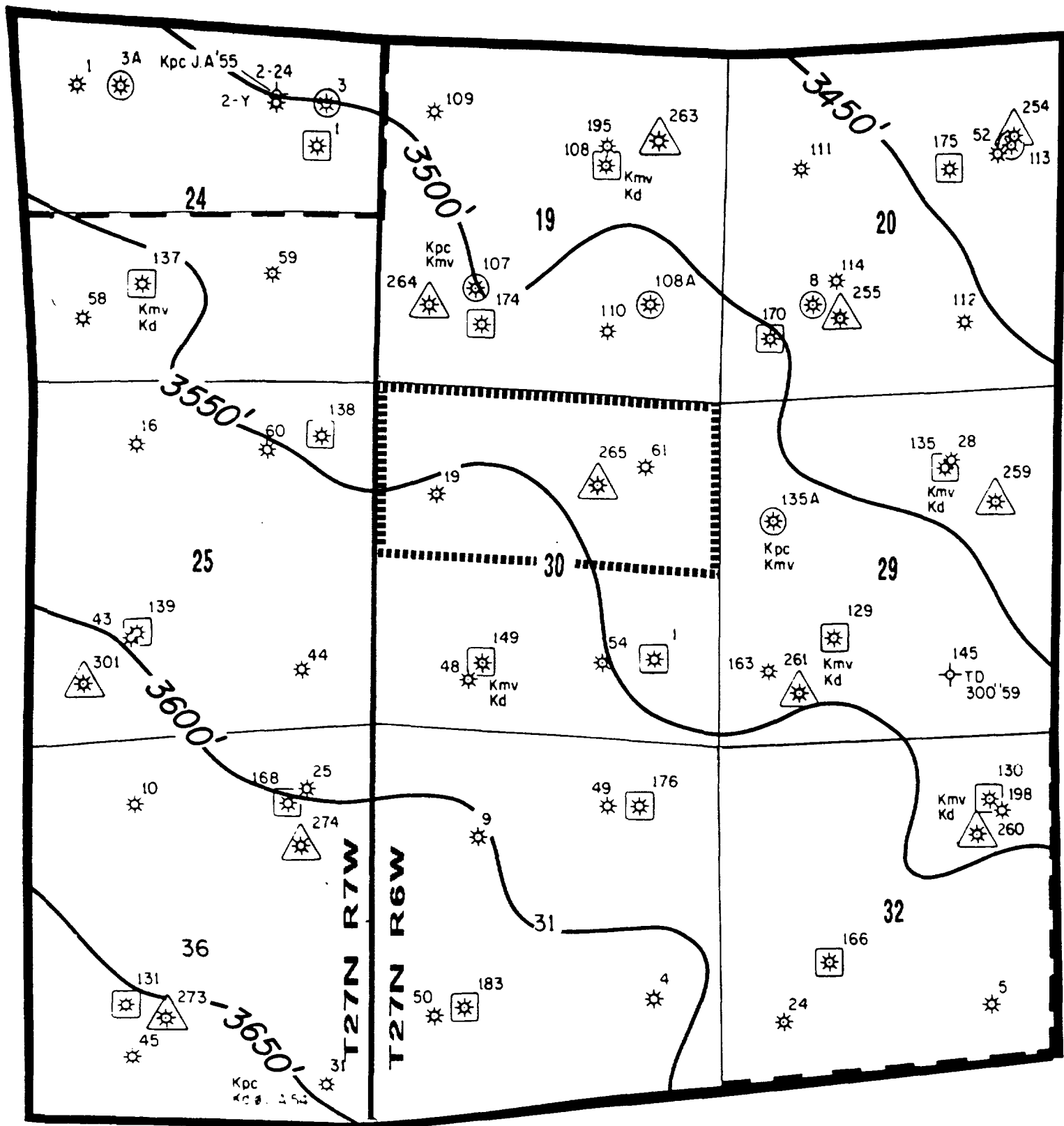
SUBSCRIBED AND SWORN TO before me, this undersigned authority, on this day of July 22nd, 1991.

Melissa Osborn
Notary Public in and for
San Juan County, New Mexico

My Commission Expires:

1/11/92





PRODUCING INTERVAL

| | | | |
|-----|-----------------|-----|---------------|
| Kfm | FARMINGTON | Kfm | |
| Kk | KIRTLAND | Kk | |
| Kf | FRUITLAND | Kf | |
| Kpc | PICTURED CLIFFS | Kpc | |
| Kc | CHACRA | Kc | |
| Klv | LA VENTANA | Klv | |
| Kmv | MESAVERDE | Kmv | |
| Kgl | GALLUP | Kgl | |
| Kd | DAKOTA | Kd | |
| | | Kch | CLIFFHOUSE |
| | | Km | MENEPEE |
| | | Kpl | POINT LOOKOUT |
| | | Kt | TOCITO |
| | | Kgh | GREENHORN |

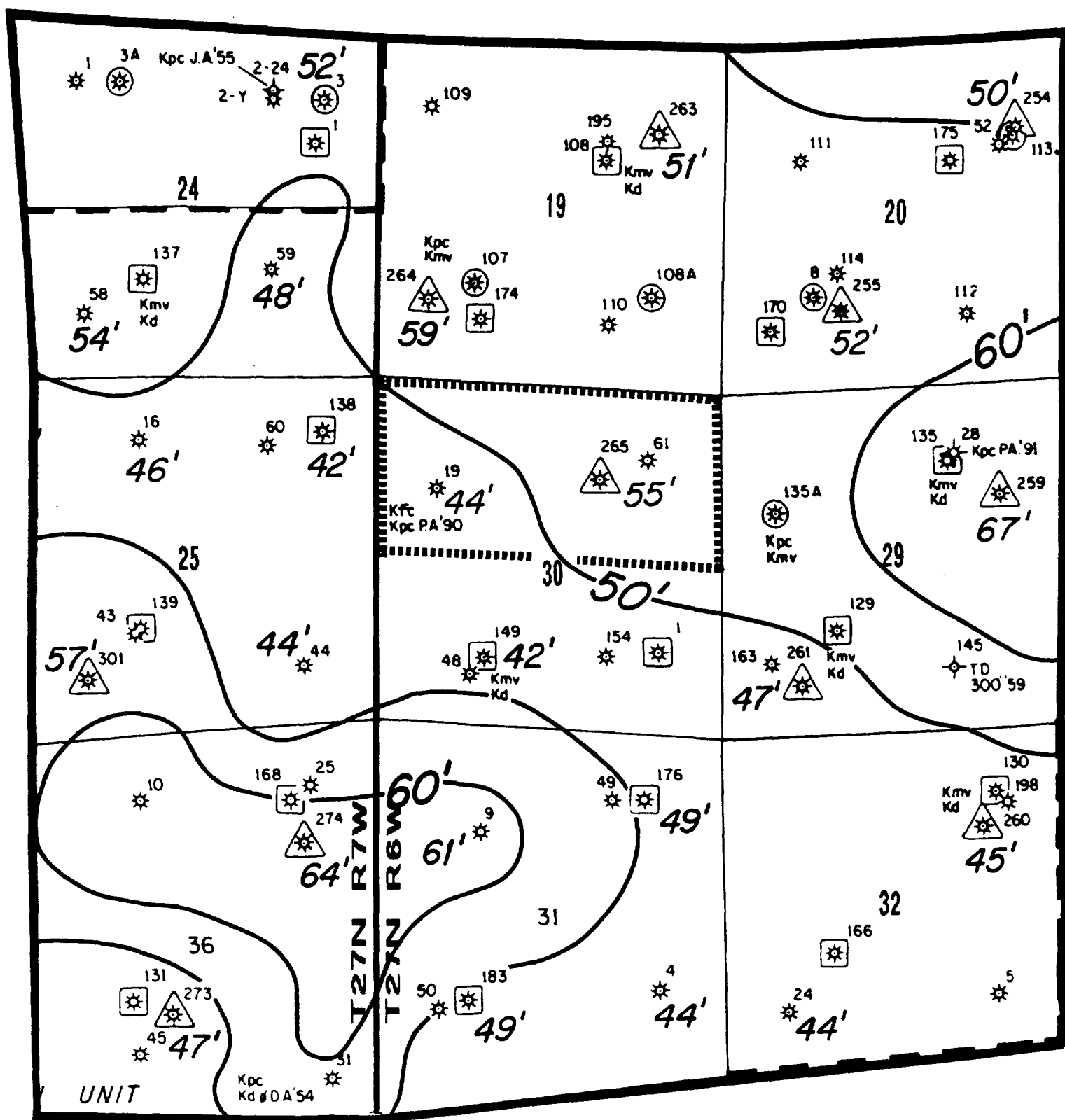
UNOCAL

NORTH AMERICAN OIL & GAS DIVISION
 SOUTHWESTERN REGION










RINCON UNIT
 RIO ARRIBA COUNTY, NEW MEXICO
STRUCTURE
 BASE OF FRUITLAND COAL
 RINCON UNIT # 265
 N½ SEC. 30 -T27N R6W

INTERP BY DV.H
 DRAFT BY

SCALE 2½" = 1 Mi. | CI 50'
 DATE 6-26-90 | PREP NO. 14184



PRODUCING INTERVAL

| | | | |
|---|-----------------|-----|--|
|  | FARMINGTON | Kfm | |
|  | KIRTLAND | Kk | |
|  | FRUITLAND | Kf | |
|  | PICTURED CLIFFS | Kpc | |
|  | CHACRA | Kc | |
|  | LA VENTANA | Klv | |
|  | MESAVERDE | Kmv | <div style="display: inline-block; vertical-align: middle;"> <div style="display: inline-block; vertical-align: middle;">{</div> <div style="display: inline-block; vertical-align: middle;"> <div style="display: inline-block; vertical-align: middle;">Kch</div> <div style="display: inline-block; vertical-align: middle;">Kcm</div> <div style="display: inline-block; vertical-align: middle;">Kcl</div> </div> </div> <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> CLIFFHOUSE MENEFE POINT LOOKOUT </div> |
|  | GALLUP | Kgl | |
|  | DAKOTA | Kd | |

UNOCAL **76**

NORTH AMERICAN OIL & GAS DIVISION
SOUTHWESTERN REGION

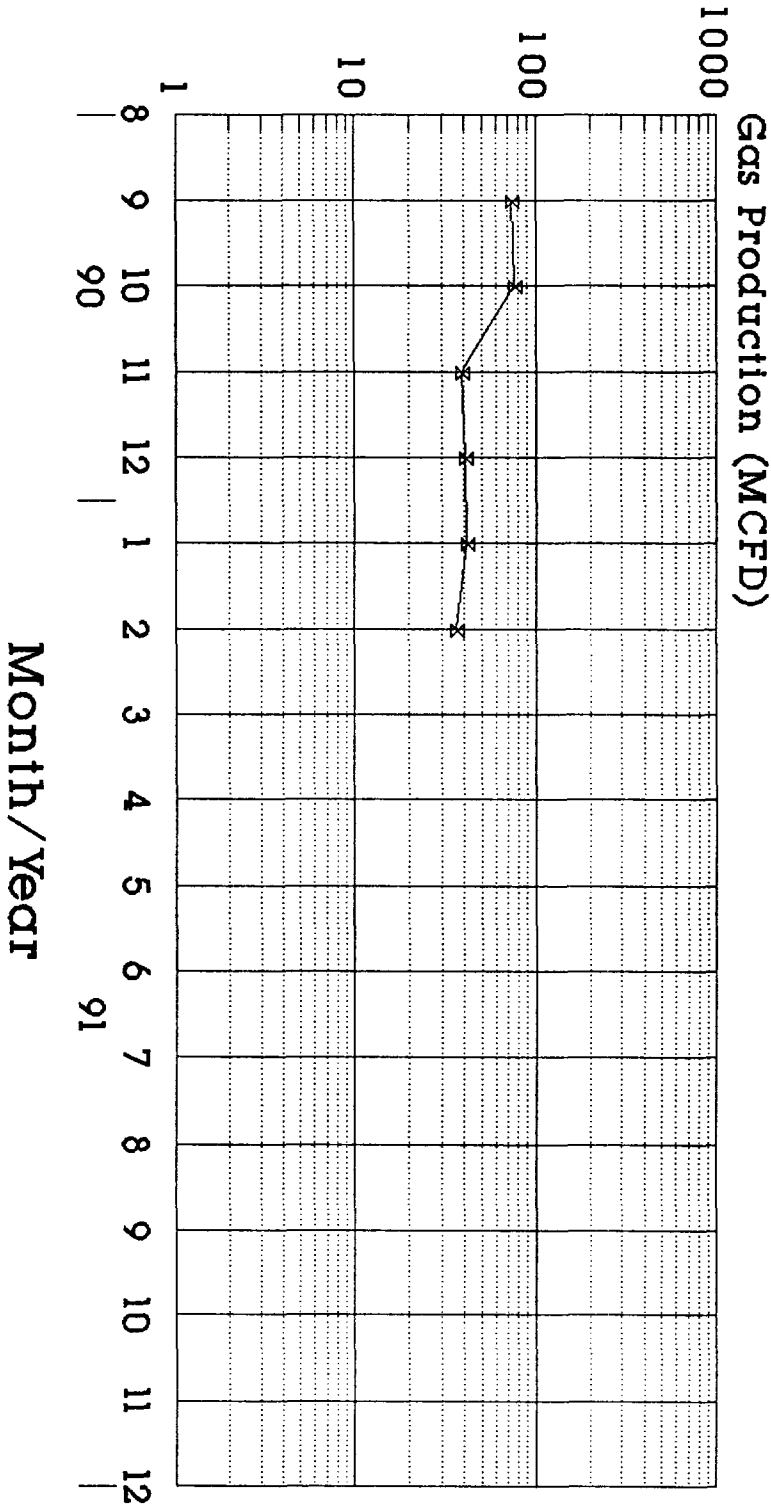
RINCON UNIT
RIO ARriba COUNTY, NEW MEXICO
ISOPACH
FRUITLAND COAL

RINCON UNIT # 265-
N $\frac{1}{2}$ SEC. 30 -T27N R6W

| | | |
|-------------------------|-----------------------------|-----------------------|
| INTERP BY D.V.H. | SCALE 2 1/2" = 1 Mi. | CI 10' |
| DRAFT BY | DATE 9-26-90 | FILE NO. (A) 8 |

RINCON UNIT #265

RIO ARRIIBA COUNTY, NEW MEXICO



—x— Gas

Production based on actual days on

NAME : RINCON U. #265 - FT TAXCR
FIELD : BASIN FRUITLAND COAL
CNTY, STATE: NEW MEXICO
FORMATION : FRUITLAND COAL
OPERATOR : UNOCAL

| | GROSS PROD OIL + COND | NET VOLUME OIL + COND | GROSS GAS PRODUCTION | NET GAS VOLUME | NET EQ PROD (RE: BOE) | EFFECTIVE O+C PRICE | NET REV OIL + COND | EFFECTIVE GAS PRICE | NET GAS REVENUE | NET TOTAL REVENUE |
|-------------|--------------------------|--------------------------|-------------------------|-------------------|--------------------------|------------------------|-----------------------|------------------------|--------------------|----------------------|
| | ---MBBLS--- | ---MBBLS--- | ---MMCF--- | ---MMCF--- | ---EMBBLS--- | ---\$/BBL--- | ---M\$--- | ---\$/MCF--- | ---M\$--- | ---M\$--- |
| (6MO)1990 | 0.0 | 0.0 | 7.0 | 5.6 | 0.9 | 0.00 | 0.0 | 1.85 | 10.4 | 10.4 |
| 1991 | 0.0 | 0.0 | 14.2 | 11.5 | 1.9 | 0.00 | 0.0 | 1.43 | 16.4 | 16.4 |
| 1992 | 0.0 | 0.0 | 13.3 | 10.7 | 1.8 | 0.00 | 0.0 | 1.42 | 15.2 | 15.2 |
| 1993 | 0.0 | 0.0 | 12.5 | 10.2 | 1.7 | 0.00 | 0.0 | 1.42 | 14.4 | 14.4 |
| 1994 | 0.0 | 0.0 | 11.9 | 9.6 | 1.6 | 0.00 | 0.0 | 1.42 | 13.7 | 13.7 |
| 1995 | 0.0 | 0.0 | 11.3 | 9.2 | 1.5 | 0.00 | 0.0 | 1.42 | 13.0 | 13.0 |
| 1996 | 0.0 | 0.0 | 10.8 | 8.7 | 1.5 | 0.00 | 0.0 | 1.42 | 12.3 | 12.3 |
| 1997 | 0.0 | 0.0 | 10.2 | 8.3 | 1.4 | 0.00 | 0.0 | 1.42 | 11.7 | 11.7 |
| 1998 | 0.0 | 0.0 | 9.7 | 7.9 | 1.3 | 0.00 | 0.0 | 1.42 | 11.1 | 11.1 |
| 1999 | 0.0 | 0.0 | 9.2 | 7.5 | 1.2 | 0.00 | 0.0 | 1.42 | 10.6 | 10.6 |
| 2000 | 0.0 | 0.0 | 8.8 | 7.1 | 1.2 | 0.00 | 0.0 | 1.42 | 10.0 | 10.0 |
| 2001 | 0.0 | 0.0 | 8.3 | 6.7 | 1.1 | 0.00 | 0.0 | 1.42 | 9.5 | 9.5 |
| 2002 | 0.0 | 0.0 | 7.9 | 6.4 | 1.1 | 0.00 | 0.0 | 1.42 | 9.1 | 9.1 |
| 2003 | 0.0 | 0.0 | 7.5 | 6.1 | 1.0 | 0.00 | 0.0 | 1.42 | 8.6 | 8.6 |
| 2004 | 0.0 | 0.0 | 7.1 | 5.8 | 1.0 | 0.00 | 0.0 | 1.42 | 8.2 | 8.2 |
| SUB TOTAL | 0.0 | 0.0 | 149.7 | 121.2 | 20.2 | 0.00 | 0.0 | 1.44 | 174.3 | 174.3 |
| REMAINDER | 0.0 | 0.0 | 63.8 | 51.7 | 8.6 | 0.00 | 0.0 | 1.42 | 73.2 | 73.2 |
| TOT 26.9 YR | 0.0 | 0.0 | 213.5 | 172.9 | 28.8 | 0.00 | 0.0 | 1.43 | 247.6 | 247.6 |

| | NET LOE (FIX + VAR) | NET WORKOVR | NET TOTAL DIRECT EXP | NET TOTAL TAXES | NET ADMIN EXPENSE | NET TOTAL INVESTMENT | BTAX CASHFLOW | INCOME TAXES PAID | ATAX CASHFLOW | CUM ATAX CASHFLOW |
|-------------|------------------------|----------------|-------------------------|--------------------|----------------------|-------------------------|------------------|----------------------|------------------|----------------------|
| | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- | ---M\$--- |
| (6MO)1990 | 1.2 | 0.0 | 1.2 | 1.3 | 0.5 | 304.0 | -296.5 | -66.0 | -230.6 | -230.6 |
| 1991 | 3.6 | 0.0 | 3.6 | 2.4 | 1.4 | 0.0 | 9.0 | -21.3 | 30.3 | -200.3 |
| 1992 | 3.6 | 0.0 | 3.6 | 2.2 | 1.4 | 0.0 | 7.9 | -18.5 | 26.5 | -173.8 |
| 1993 | 3.6 | 0.0 | 3.6 | 2.1 | 1.4 | 0.0 | 7.2 | -16.5 | 23.7 | -150.1 |
| 1994 | 3.6 | 0.0 | 3.6 | 2.0 | 1.4 | 0.0 | 6.6 | -15.0 | 21.6 | -128.4 |
| 1995 | 3.6 | 0.0 | 3.6 | 1.9 | 1.4 | 0.0 | 6.0 | -13.1 | 19.2 | -109.3 |
| 1996 | 3.6 | 0.0 | 3.6 | 1.8 | 1.4 | 0.0 | 5.5 | -9.6 | 15.1 | -94.2 |
| 1997 | 3.6 | 0.0 | 3.6 | 1.7 | 1.4 | 0.0 | 5.0 | -7.9 | 12.8 | -81.3 |
| 1998 | 3.6 | 0.0 | 3.6 | 1.6 | 1.4 | 0.0 | 4.5 | -6.1 | 10.6 | -70.8 |
| 1999 | 3.6 | 0.0 | 3.6 | 1.6 | 1.4 | 0.0 | 4.0 | -5.9 | 9.9 | -60.9 |
| 2000 | 3.6 | 0.0 | 3.6 | 1.5 | 1.4 | 0.0 | 3.5 | -5.7 | 9.2 | -51.7 |
| 2001 | 3.6 | 0.0 | 3.6 | 1.4 | 1.4 | 0.0 | 3.1 | -5.5 | 8.6 | -43.1 |
| 2002 | 3.6 | 0.0 | 3.6 | 1.3 | 1.4 | 0.0 | 2.7 | -5.3 | 8.0 | -35.1 |
| 2003 | 3.6 | 0.0 | 3.6 | 1.3 | 1.4 | 0.0 | 2.3 | 0.9 | 1.4 | -33.6 |
| 2004 | 3.6 | 0.0 | 3.6 | 1.2 | 1.4 | 0.0 | 1.9 | 0.7 | 1.2 | -32.4 |
| SUB TOTAL | 51.6 | 0.0 | 51.6 | 25.3 | 20.5 | 304.0 | -227.1 | -194.7 | -32.4 | -32.4 |
| REMAINDER | 44.7 | 0.0 | 44.7 | 10.7 | 17.8 | 0.0 | 0.0 | 0.0 | 0.0 | -32.4 |
| TOT 26.9 YR | 96.3 | 0.0 | 96.3 | 36.1 | 38.3 | 304.0 | -227.1 | -194.7 | -32.4 | -32.4 |

WAME : RINCON U. #265 - FT TAXCR
WIELD : BASIN FRUITLAND COAL
WNTY, STATE: NEW MEXICO
WFORMATION : FRUITLAND COAL
WOPERATOR : UNOCAL

| | GROSS TOTAL INVESTMENT | TOTAL GROSS OPER EXP | NUMBER GROSS WELLS | NET NGL VOLUME | EFFECTIVE NGL PRICE | NET NGL REVENUE | NET SULPHUR | NET PLANT OPER EXP | NET TRANS +TREAT+COMP | NET ABAND & SALVAGE |
|-------------|---------------------------|-------------------------|-----------------------|-------------------|------------------------|--------------------|----------------|-----------------------|--------------------------|------------------------|
| | M\$ | M\$ | | MBBLS | \$/BBL | M\$ | M-TONS | M\$ | M\$ | M\$ |
| (6MO)1990 | 304.0 | 1.2 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1991 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1992 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1993 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1994 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1995 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1996 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1997 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1998 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1999 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2000 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2001 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2002 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2003 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2004 | 0.0 | 3.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SUB TOTAL | 304.0 | 51.6 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| REMAINDER | 0.0 | 44.7 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOT 26.9 YR | 304.0 | 96.3 | 1.0 | 0.0 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | NET LEASEHOLD | NET DRY HOLE | NET DRILLING | NET COMPLETION | NET FACILITIES | NET PLATFORM | NET PIPELINE | TAX DEPREC | TAX DEPLETION | IDC AMORT |
|-------------|------------------|-----------------|-----------------|-------------------|-------------------|-----------------|-----------------|---------------|------------------|--------------|
| | M\$ | M\$ | M\$ | M\$ | M\$ | M\$ | M\$ | M\$ | M\$ | M\$ |
| (6MO)1990 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 13.0 | 0.0 | 4.3 |
| 1991 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 22.3 | 0.0 | 12.8 |
| 1992 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 15.9 | 0.0 | 12.8 |
| 1993 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 11.4 | 0.0 | 12.8 |
| 1994 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.1 | 0.0 | 12.8 |
| 1995 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.1 | 0.0 | 8.5 |
| 1996 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.1 | 0.0 | 0.0 |
| 1997 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.1 | 0.0 | 0.0 |
| 1998 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1999 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2000 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2001 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2002 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2003 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2004 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SUB TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 91.0 | 0.0 | 63.9 |
| REMAINDER | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOT 26.9 YR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 91.0 | 0.0 | 63.9 |

DP: P.A.
EVAL #: 18

UNOCAL North American Oil & Gas Division
Economic Report Summary
AS OF JUL 1, 1990

DATE: 04/22/91
TIME: 13:38:50
PAGE: 32

NAME : RINCON U. #265 - FT TAXCR
FIELD : BASIN FRUITLAND COAL
CNTY, STATE: NEW MEXICO
FORMATION : FRUITLAND COAL
OPERATOR : UNOCAL

| | TEMP #1 | TEMP #2 | TEMP #5 | TEMP #6 | NET CREDITS INPUT |
|-------------|---------------|------------|------------|------------|----------------------|
| | -----M\$----- | | | | |
| (6MO)1990 | 8206.9 | 5.6 | 0.840 | 0.000 | 5.6 |
| 1991 | 16716.6 | 11.4 | 0.840 | 0.000 | 11.4 |
| 1992 | 15652.0 | 10.6 | 0.840 | 0.000 | 10.6 |
| 1993 | 14798.1 | 10.1 | 0.840 | 0.000 | 10.1 |
| 1994 | 14058.2 | 9.6 | 0.840 | 0.000 | 9.6 |
| 1995 | 13355.3 | 9.1 | 0.840 | 0.000 | 9.1 |
| 1996 | 12687.5 | 8.6 | 0.840 | 0.000 | 8.6 |
| 1997 | 12053.1 | 8.2 | 0.840 | 0.000 | 8.2 |
| 1998 | 11450.5 | 7.8 | 0.840 | 0.000 | 7.8 |
| 1999 | 10878.0 | 7.4 | 0.840 | 0.000 | 7.4 |
| 2000 | 10334.0 | 7.0 | 0.840 | 0.000 | 7.0 |
| 2001 | 9817.3 | 6.7 | 0.840 | 0.000 | 6.7 |
| 2002 | 9326.5 | 6.3 | 0.840 | 0.000 | 6.3 |
| 2003 | 8860.1 | 0.0 | 0.000 | 0.000 | 0.0 |
| 2004 | 8417.1 | 0.0 | 0.000 | 0.000 | 0.0 |
| SUB TOTAL | 176611.2 | 108.4 | 0.840 | 0.000 | 108.4 |
| REMAINDER | 75335.6 | 0.0 | 0.000 | 0.000 | 0.0 |
| TOT 26.9 YR | 251946.8 | 108.4 | 0.840 | 0.000 | 108.4 |

GLOBAL FILE: \$UNOCAL1
EVALUATION #18 IN PROJECT FILE "P.A. " 04/22/91 13:38:07
10 IDENT "30 25 U091205
20 DATES JUL 1990 JUL 1990 SEP 1990
30 NAME "RINCON U. #265 - FT TAXCR "
40 FIELD "BASIN FRUITLAND COAL "
50 CNTYSTATE "NEW MEXICO "
60 FORMATION "FRUITLAND COAL "
70 OPERATOR "UNOCAL "
80 ECONOMICS ELIM
90 OWNERSHIP 1. 0.809987
120 COMMENT "PROD DECLINE BASED ON AVG WELL CASE "
130 COMMENT "FIRST 6 MONTHS = ACTUAL PROD. "
140 GPROD P MON 2.186 2.359 1.152 1.258 1.275 1.092
150 GPROD * EXP 1.216 * * 7. 18.
190 GPROD * EXP * * * 5.
210 TAN I MON 91000. 0. 0.
220 INTAN I MON 213000. 0.
240 PRGAS P MON 1.31 1.56 1.84 1.8 1.36
260 PRGAS * CON 1.2
290 FACTOR 1.18 PRGAS
310 LOETOT P CON 300.
320 AVALPS * CON 3.5
*** START OF INSERT FILE C-TAX
10 COMMENT "ASSUMES CONSTANT \$.84 TAX CREDIT "
20 COMMENT "TO 2003 "
30 TEMP1 * CON 0.
40 CADD TEMP1 GPROD
50 FACTOR 1000. TEMP1
60 FACTOR 1.18 TEMP1
70 TEMP5 JAN 1990 CON 0.84
80 TEMP5 JAN 2003 CON 0.
90 CADD TEMP2 TEMP1
100 CFACTOR TEMP5 TEMP2
110 FACTOR 0.809987 TEMP2
120 CADD TAXCR TEMP2
130 FACTOR 0.001 TEMP2
*** END OF INSERT FILE
370 ULTIMATE GPROD 460.

GLOBAL FILE: \$UNOCAL2