

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: January 23, 2014

Application Type:

☐ P&A ☐ Drilling/Casing Change ☒ Recomplete/DHC
☐ Location Change ☐ Other: _____

Well information:

| API WELL # | Well Name | Well # | Operator Name | Type | Stat | County | Surf. Owner | UL | Sec | Twp | N/S | Rng | W/E |
|--------------------|-------------|--------|----------------------------|------|------|------------|-------------|----|-----|-----|-----|-----|-----|
| 30-039-20774-00-00 | RINCON UNIT | 201 | CHEVRON MIDCONTINENT, L.P. | G | A | Rio Arriba | S | G | 2 | 26 | N | 7 | W |

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Run CBL and present to agencies for review prior to perforations

Must have approved DHC from Santa Fe prior to production

NMOCD Approved by Signature

3/6/14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
EQ-0291-0003

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Rincon Unit 201

2. Name of Operator
Chevron Midcontinent L.P.

9. API Well No.
30-039-20774

3a. Address
ATTN: Regulatory Specialist
332 Road 3100 Aztec New Mexico 87410

3b. Phone No. (include area code)
505-333-1941

10. Field and Pool or Exploratory Area
Largo Gallup (8000)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1680 FNL 1725 FEL SWNE 02-26N-07W

11. County or Parish, State
Rio Arriba County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other DHC |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Chevron Midcontinent L.P. respectfully requests to downhole commingle production from the Largo Gallup gas pool with the existing Blanco Mesaverde and Basin Dakota production in the Rincon Unit 201 well. Currently this well is operating under DHC 2355.

Commingle of the zones should not reduce the total remaining production value of this well. Chevron Midcontinent L.P. plans to use the incremental allocation method to account for the additional production from the Largo Gallup.

Notice has been made to all offset operators with no dissenting opinion.

RCVD FEB 24 '14
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

April E. Pohl

Title Regulatory Specialist

Signature

April E. Pohl

Date

2/13/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title GEO

Date

2-20-14

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCDAV

District I
1675 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---|--|---------------------------------|---|
| ¹ API Number 30-039-20774 | | ² Pool Code 80000 | ³ Pool Name Largo Gallup Gas Pool |
| ⁴ Property Code 302737 | ⁵ Property Name Rincon Unit | | ⁶ Well Number 201 |
| ⁷ OGRID No. 241333 | ⁸ Operator Name CHEVRON MIDCONTINENT, L.P. | | ⁹ Elevation 6661' GL |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| G | 2 | 26N | 7W | | 1690' | NORTH | 1725' | EAST | Rio Arriba |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|--|-------------------------------|---------------------------------------|---|
| ¹² Dedicated Acres 320.76 ac E/2 | ¹³ Joint or Infill | ¹⁴ Consolidation Code U | ¹⁵ Order No. Unitization R-87 |
|--|-------------------------------|---------------------------------------|---|

RCVD FEB 24 '14
OIL CONS. DIV.
DIST. 3

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | |
|--|---|
| | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>[Signature]</i> Date: 2/13/14 Jamie Elkington, Production Engineer Printed Name ELK1@chevron.com E-mail Address |
| | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. August 27, 1973 / on file @ NMOCD Date of Survey Signature and Seal of Professional Surveyor: |
| | of file @ NMOCD Certificate Number 3950 |
| | |