

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 14th, 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
30-039-25433-00-00	RINCON UNIT	183E	CHEVRON MIDCONTINENT, L.P.	O	A	Rio Arriba	F	J	31	27	N	6	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Must have approved DHC from Santa Fe prior to production

File C104 and completion report for the Basin Mancos before returning to production.

NMOCD Approved by Signature

4-11-14

Date

GEOLOGIST DISTRICT # 3

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.

USA SF 078364 DK

6. If Indian, Allottee or Tribe Name

N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Chevron Midcontinent, L.P.

3a. Address

1400 Smith Street, Houston, Texas, 77002

3b. Phone No. (Include area code)

(505) 334-7117

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

SE 1/4 Section 31 T 27 N R 8 W

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

Rincon Unit

8. Well Name and No.

Rincon 183 E

9. API Well No.

3003925433 DK

10. Field and Pool or Exploratory Area

Basin Mancos Gas Pool

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 commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Basin Mancos prod. w/ existing production
	<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 recompleat 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/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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.)

See attachments for proposed operation details and wellbore diagrams.

Note:

Division Order R-12984-B pre-approves DHC of the Blanco-Mesaverde Gas Pool, the Basin Mancos Gas Pool, and the Basin-Oskota Gas Pool.

Completion of the Basin Mancos Interval will not reduce the total remaining production value.

The incremental allocation method for the addition of the Basin Mancos will be used. Supporting data attached (decline curve). The well currently makes 100 MCFPD and just under 1 BOPD. Any additional production will be allocated to the Basin Mancos.

BIA Bond Number: RLB0002077; BLM Bond Number: RLB0002888

Spud Date: July 15, 2014

Rig Release Date: August 15, 2014

DHC 4657 JF

RCVD JAN 31 '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

1/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 1-29-14

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)

NMOCD A.

HOLLAND & HART



Michael H. Feldewert
Recognized Specialist in the Area
of Natural Resources - oil and gas law
New Mexico Board of Legal
Specialization
mfeldewert@hollandhart.com

RECEIVED

January 24, 2014

JAN 27 2014

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Farmington Field Office
Bureau of Land Management

TO: OFFSETTING OPERATORS

RE: Chevron Midcontinent, L.P.'s Applications to Downhole Commingle the Basin Mancos Gas Pool, Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool in the Rincon 183 E and the Rincon 176.

This letter is to advise you that Chevron Midcontinent, L.P. ("Chevron") will be filing the enclosed applications with the New Mexico Oil Conservation Division Aztec District Office within twenty days of the date of this letter. As an operator in an offsetting tract, you are entitled to notice of these applications pursuant to Division Order R-9893.

Any objection to these applications must be provided to the applicant in writing within twenty days from this date of this certified letter. If no objection is received within this twenty-day period, these applications will be submitted to the Division for approval.

If you have any questions about these applications, please contact the following:

Kristen Hunter
Land Representative
Chevron Midcontinent, L.P.
1400 Smith, Rm. 47116
Houston, TX 77002
713-372-1708
Kristen.Hunter@Chevron.com

Sincerely,

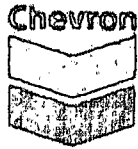
Michael H. Feldewert
ATTORNEY FOR CHEVRON MIDCONTINENT, L.P.

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☐



Chevron
332 Road 3100
Aztec, NM 87410

January 9, 2014

Aztec District Office
1000 Rio Brazos Road
Aztec, NM 87410

**Re: Rincon Federal Unit
Rio Arriba County, New Mexico**

To Whom It May Concern:

Chevron Midcontinent, L.P. would like to complete the Basin Mancos interval in its Rincon 183 E well and downhole commingle the production with existing production from the Basin Dakota and Blanco Mesaverde intervals. Please see the attached completed C-103 Notice, proposed procedure, wellbore diagrams, and decline curve for the appropriate well information.

Commingle of these zones will not reduce the total remaining production value of the well. Chevron intends to use the incremental allocation method to account for the additional production from the Basin Mancos. This well currently produces 100 MCFPD and about 1 BOPD. Any additional production will be allocated to the Basin Mancos.

We plan to send notification to all offsetting operators surrounding the wells. In addition, by copy of this letter along with a Sundry 3160-5, we are notifying the BLM of our intent to downhole commingle production for the Rincon183E well.

Sincerely,

A handwritten signature in cursive script that reads "April E. Pohl".

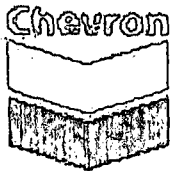
April Pohl
Regulatory Specialist
San Juan Basin

Cc: BLM w/ Sundry 3160-5

Rincon 183 E—Basin Mancos Completion and Artificial Lift Installation

Proposed Wellwork Procedure

- MIRU workover rig and equipment
- N/D wellhead, N/U BOP's and test BOP's
- RU slick line and pull plunger and BHBS
- Tag for fill with slick line
- RD slick line
- RU tubing handling equipment
- POOH with tubing
- LD tubing string
- PU 2-7/8" workstring
- RIH with bit and scraper on 2-7/8" workstring and cleanout to 7666'
- POOH and lay down bit and scraper
- MIRU wireline and install text lubricator.
- PU and RIH with 7" CBP on wireline run CCI and set CBP @ 6903'
- POOH with wireline and setting tool
- PU and RIH with GR/CCL log. Log from 6903' (CBP) to 6300'
- POOH with logging equipment
- RIH with Perf guns and perforate (Proposed perforations 6803.5'-6810.5')
- RDMO wireline unit
- PU and RIH with 7" packer with two stage equalizing plug on 2-7/8" workstring set packer at 6700'
- Pressure test the workstring
- MIRU slick line unit. RIH and pull the equalizing prong and POOH.
- RIH and pull packer plug
- RDMO slick line unit
- NU frac mandrel on BOP's, install frac head or Y
- MIRU flow back equipment
- MIRU Frac crew
- Frac down the workstring
- RDMO frac equipment
- Flow well back
- MIRU slick line unit
- P/U and RIH with pressure bombs on slick line for 24 hour shut in test
- Release packer and TOH. LD Packer
- MIRU airfoam until for cleanout
- Cleanout sand to CBP @ 6903'
- Drill out CBP and cleanout wellbore to PBTD ~ 7666'
- Continue to cleanout wellbore until returns clean up
- If scale is present during cleanout consider an acid treatment
- POOH with workstring, bit and bit sub, laying down
- RIH with 2-3/8" production tubing and BHA.
- ND BOP's NU wellhead
- Pump ½ drum of corrosion inhibitor down the tubing and ½ drum down CSG
- RIH with new pump on ¾" rod string
- Seat pump, load tubing and test
- RDMO workover rig
- Install pumping unit



Rincon Unit 183E
Rio Arriba County, New Mexico
Well Schematic as of 2000

API: 30-039-2543300
Legals: SEC. 22 T27N R6W
Field:

KB
KB Elev
GR Elev

Spud Date: 8/6/94
Compl Date:
Spacing

Formations
Pictured Cliffs
Cliffhouse
Mancos
Gallup
Greenhorn
Dakota

DHC
MV
DK

Oil
Gas
93% 56%
7% 44%

Surface Casing:
9 5/8" 38# J-55 LT&C @ 454'
Cmt'd w/ 275 sc "B" to Surface

Tubing:
2 3/8" @ 7483 as of 2000

PROPOSED ROD AND PUMP DETAILS

MESAVERDE: 5312-5318, 5346-5354, 5358-5366
Frac w/ 63,000# 20/40 Brady &
62,700 gal Slick Water

PROPOSED TOCITO PERF'S (6889'-1 (6803.5'-6810.5'))
PROPOSED FRAC
TOCITO: SQUEEZED
6804-6814
Frac w/ 152,000# 20/40 Brady
TOCITO: SQUEEZED
6804-6814
Frac w/ 152,000# 20/40 Brady
SQZD w/ 2.6 BBL Class G CMT

GRANEROS: 7271-7316
Frac w. 70,000# 20/40 Brady
15,000 gal 35# X Link Screened out

DAKOTA: 7398-7420, 7440-7446, 7450-7461, 7467-7487
Frac w/ 252,000# 20/40 Brady
48,000 gal 35# X Linke Borate Gel

Production Casing:
7" 26# N80 & J55 LT&C 23# J55 LT&C
CEMENTED W. 1575 SX CMT
CIRCULATE TO SURFACE

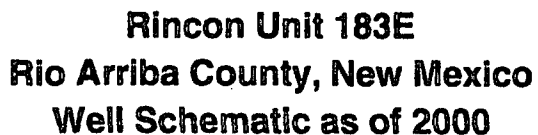
DV Tool @ 5134'

7666' ETD

TD = 7750

Prepared by:
Date:

Revised by:
Date:



Name: RINU 183E MV ID: 300392543300 Type: Bore Format: [p] Comp: CDProd vs Time

WELL_LABEL: RINU 183E DK

FIELD_CODE: UL5

PROD_METH: FL

LASTOCUM: 3.33048000

CHEVNO: QW4302

FIELD: FLD-RINCON

CLASS_CODE: GA

LASTGCUM: 1427.55900000

SIDETRACK: 0

LEASE: RINCON UNIT

SAP_CODE: BCUL5D000

CC_NM: RINCON UNIT DAKOTA PA

COMP_NUM: 01

SEC-T-R: 31 - N027 - W006

RES_CODE: 0000005733

RES: DAKOTA

