

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

JUN 10 2009

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☐ Oil Well ☐ ☒ Gas Well ☐ Other

2 Name of Operator **Chevron Midcontinent, L.P. (241333) (c/o Alan W. Bohling, Rm 4205)**

3a Address
15 Smith Road Midland, Texas 79705

3b Phone No. (include area code)
432-687-7158

4 Location of Well (Footage, Sec, T., R., M., or Survey Description)
**1650' FSL & 1840' FWL
NESW, UL K, Sec. 26, T-27-N, R-07-W (Lat. 36.541553 Long. -107.548023)**

5 Lease Serial No.
NMSF 080385

6 If Indian, Allottee or Tribe Name
Office

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

8 Well Name and No.
Rincon Unit # 169

9 API Well No.
30-039-20160

10 Field and Pool, or Exploratory Area
Basin-Dakota/Blanco-Mesaverde

11 County or Parish, State
Rio Arriba, New Mexico

12. CHECK 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 Permanent Plug & Abandon
	<input type="checkbox"/> Change Plans	<input checked="" 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 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.)

In response to BLM Letter dated June 1, 2009 (copy attached), Chevron Midcontinent, L. P. respectfully submits this NOI, for your approval, to Permanently Plug and Abandon this wellbore per the following and/or attached procedure and wellbore diagram:

1. Install & test rig anchors. Comply w/ all Regulatory Agency & Chevron HES Regulations. MIRU. N/D wellhead. N/U BOP's. Test BOP's.
2. RIH w/ OE tbg. Spot balanced cmt plug from 7200'-7660'. POOH w/ tbg. WOC.
3. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 6350'-6600'. POOH w/ tbg. WOC. **6460'-6360' inside door**
4. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 5200'-5550'. POOH w/ tbg. WOC.
5. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 4700'-4950'. POOH w/ tbg. WOC. **Chocoma 4041'-3941' inside door**
6. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 2950'-3200'. POOH w/ tbg. WOC. **Fruitland 2879-2779'**
7. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 2260'-2500'. POOH w/ tbg. WOC. **-2508'-2187' inside door**
8. RIH & tag cmt plug. Spot 2% KCL. Spot balanced cmt plug from 1400'-1500'. POOH w/ tbg. WOC. **380-880 inside door**
9. RIH & tag cmt plug. Spot 2% KCL. RIH & set cmt retainer @ 280'. Sting into retainer. Squeeze cmt through part & up to surface. Sting out of cmt retainer. Spot cmt from 280' to surface. L/D WS.
10. If not cmt circ to surface. RIH & shoot perfs @ csg shoe & squeeze. Fill up csg w/ cmt.
11. Cut off csg. Fill up w/ cmt. Install dry hole marker.
12. RDMO

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

Alan W. Bohling

Title **Regulatory Agent**

Signature

Alan W. Bohling

Date

06/09/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Original Signed: **Stephen Mason**

Approved by

Title

Date

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

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)

RECEIVED

6/30

see attached -

609 JUN 10 2009

NO. 5007

NO. 5007

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington D.C. 20240



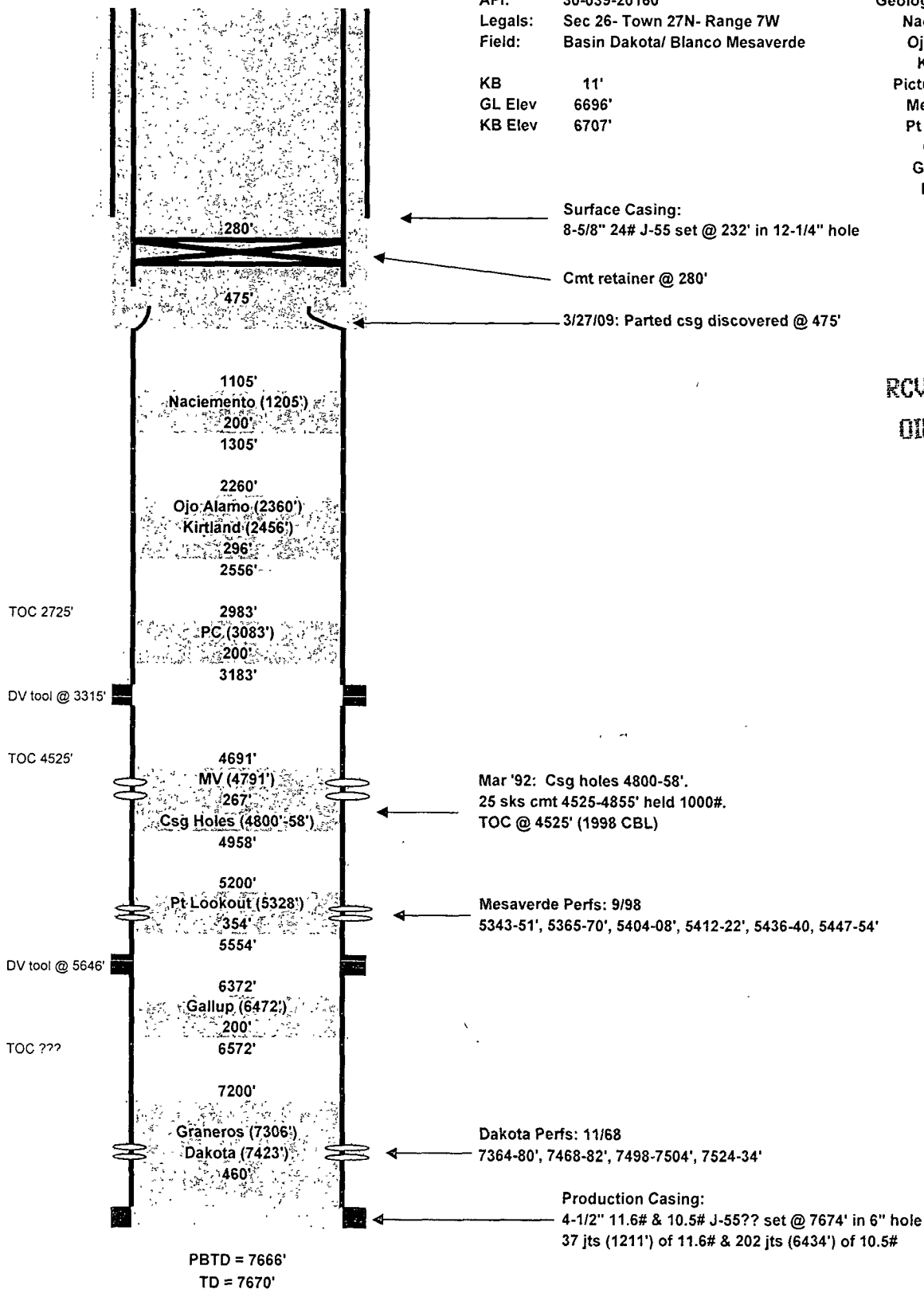
Rincon #169
API # 30-039-20160

Rio Arriba County, New Mexico
Proposed P&A Well Schematic as of 4/12/2009

API: 30-039-20160
Legals: Sec 26- Town 27N- Range 7W
Field: Basin Dakota/ Blanco Mesaverde

KB 11'
GL Elev 6696'
KB Elev 6707'

Geologic Tops:
Nacimiento 1205'
Ojo Alamo 2360'
Kirtland 2456'
Pictured Cliffs 3083'
Mesaverde 4791'
Pt Lookout 5328'
Gallup 6472'
Graneros 7306'
Dakota 7423'



RCVD JUN 16 '09
OIL CONS. DIV.
DIST. 3

Rec'd. 6/08/09 AWB



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO

NMSF-080385 (WC)
3162.3-2 (21110)

June 1, 2009

Mr. Alan W Bohling
Chevron Midcontinent, L.P.
15 Smith Road
Midland, TX 79705

Dear Mr. Bohling:

Reference is made to your well No. 169 Rincon Unit located 1650' FSL & 1840' FWL sec. 26, T. 27 N., R. 7 W, Rio Arriba County, New Mexico, Lease NMSF-080385. Also referenced is your E-Mail dated March 31, 2009, which stated the above mentioned well had parted casing and had been shut-in. You were required to submit either a procedure to repair the well, returning it to production or to plug and abandon the well. You are required to submit the procedure by June 30, 2009.

Failure to comply within the time above may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Stephen Mason
Petroleum Engineer, Petroleum Management Team

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOCD District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Chevron Midcontinent, L.P. OGRID #: 241333
Address: 15 Smith Road, Midland, TX 79705 (c/o Alan W. Bohling, Room 4205)
Facility or well name: Rincon Unit #169
API Number: 30-039-20160 OCD Permit Number: _____
U/L or Qtr/Qtr UL K, NESW Section 26 Township 27-N Range 07-W County: Rio Arriba
Center of Proposed Design: Latitude 36.541553 Longitude -107.548023 NAD: ☐ 1927 ☒ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☒ P&A
☒ Above Ground Steel Tanks or ☐ Haul-off Bins

3.
Signs: Subsection C of 19.15.17.11 NMAC
☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☒ Signed in compliance with 19.15.3.103 NMAC

4.
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5.
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.
Disposal Facility Name: Envirotech (solids) Disposal Facility Permit Number: NM-01-0011
Disposal Facility Name: Key Energy (liquids) Disposal Facility Permit Number: NM-01-0009
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations.
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6.
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Alan W. Bohling Title: Regulatory Agent
Signature: Alan W. Bohling Date: 06/09/2009
e-mail address: ABohling@chevron.com Telephone: (432) 687-7158

7.
OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____ **Approval Date:** _____

Title: _____ **OCD Permit Number:** _____

8.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ **Closure Completion Date:** _____

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10.
Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

Chevron Midcontinent, L.P. (241333)
Closed-loop Plans

Closed-loop Design Plan

CMLP's closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will include an above ground tank suitable for holding the cuttings and fluids for workover rig operations. The tank will be sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

1. Fencing is not required for an above ground closed-loop system
2. It will be signed in compliance with 19.15.3.103 NMAC
3. Frac tank(s) will be on location to store fresh water/KCL/returns.

Closed-loop Operating and Maintenance Plan

CMLP's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

1. The liquids will be vacuumed out and disposed of by Key Energy (Disposal Facility Permit # NM-01-0009). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) on a periodic basis to prevent over topping.
2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by workover rig operations will be placed or stored in the tank.
3. The NMOCD Division District Office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately
4. All of the above operations will be inspected and a log will be signed and dated. During workover rig operations, the inspection will be daily.

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) immediately following rig operations. All remaining liquids will be transported and disposed of in the Key Energy Disposal Facility (Permit # NM-01-0009). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible. If area off the location is affected it will be restored and re-vegetated upon completion of the work over project.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 169 Rincon Unit

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.

3. The following modifications to your plugging program are to be made:

- a) Place the Gallup plug from 6460' – 6360' inside and outside the 4 ½" casing.
- b) Place the Chacra plug from 4041' – 3941' inside and outside the 4 ½" casing.
- c) Place the Fruitland plug from 2879' – 2779'.
- d) Place the Kirtland/Ojo Alamo plug from 2508' – 2189' inside and outside the 4 ½" casing.
- e) Place the Nacimiento plug from 980' – 880' inside and outside the 4 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.