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San Juan Basin

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August 8, 2011

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505-4000

RE: Rincon Unit 2011 Plan of Development Amendment
Rincon Unit, Rio Arriba County, New Mexico

RECEIVED OGD
2011 AUG 12 P 2:17

Ladies and Gentlemen:

Please see the attached replacement page for the previously approved 2011 Plan of Development for the Rincon Unit submitted by Chevron Midcontinent L.P., the Unit Operator which includes additional potential workovers and facility projects. We respectfully request your approval of this additional work to our Plan of Development for 2011. Any further changes to this Plan for 2011 will be made by Amendments to the Plan as they become necessary.

We have also provided copies of this material to the BLM, State of New Mexico Commissioner of Public Lands, and all of the Working Interest Owners in the Rincon Unit. If during your review of this material you should have any questions, please feel free to contact Mr. Jason Chow by telephone at 713-372-9907 or email at JFZC@chevron.com for technical questions and you may also feel free to contact me at 713-372-9914 or email as indicated on the letterhead above.

Sincerely,

Kevin Goldstein
Land Representative

**Chevron Midcontinent, L.P.
Rincon Unit
Rio Arriba County, New Mexico**

2011 Plan of Operations

RECEIVED OGD
 2011 AUG 12

Potential Workovers - Cleanouts, repairs, comminglings, acidizings, & zone adds dependent on permit approval and funding

Well	Pool	UL	Sec	Twp	Rng
Rincon Unit Well #203	Basin Dakota	M	27	27	N 7 W
Rincon Unit Well #149	Basin Dakota / Blanco Mesaverde	N	30	27	N 6 W
Rincon Unit Well #172	Basin Dakota	B	26	27	N 7 W
Rincon Unit Well #82A	Blanco Mesaverde	C	23	27	N 6 W
Rincon Unit Well #108P	Basin Dakota / Blanco Mesaverde	H	19	27	N 6 W
Rincon Unit Well #174M	Basin Dakota / Blanco Mesaverde	F	19	27	N 6 W
Rincon Unit Well #146	Basin Dakota	G	23	27	N 6 W
Rincon Unit Well #192	Basin Dakota	K	1	26	N 7 W
Rincon Unit Well #179	Basin Dakota	G	16	27	N 6 W
Rincon Unit Well #98	Blanco Mesaverde / Blanco South Pictured Cliffs	A	21	27	N 6 W
Rincon Unit Well #125P	Basin Dakota / Blanco Mesaverde	D	26	27	N 6 W
Rincon Unit Well #174	Basin Dakota	N	19	27	N 6 W
Rincon Unit Well #173	Basin Dakota	M	23	27	N 6 W
Rincon Unit Well #138	Basin Dakota / Blanco Mesaverde	A	33	27	N 7 W
Rincon Unit Well #174P	Basin Dakota / Blanco Mesaverde	L	19	27	N 6 W
Rincon Unit Well #185R	Basin Dakota	G	22	27	N 7 W
Rincon Unit Well #229	Basin Dakota	I	34	27	N 7 W
Rincon Unit Well #148	Pictured Cliffs	D	23	27	N 6 W
Rincon Unit Well #194	Pictured Cliffs	G	16	27	N 6 W
Rincon Unit Well #182P	Basin Dakota / Blanco Mesaverde	P	26	27	N 6 W
Rincon Unit Well #403	Basin Dakota / Blanco Mesaverde	P	26	27	N 6 W

Artificial Lift Upgrades

Convert from plunger lift to beam lift - 186, 193M

Wellhead Compressor Installs

Switch or remove uneconomic compressors

Plugging & Abandonments

Well	Pool	UL	Sec	Twp	Rng
Rincon Unit Well #3	Blanco South Pictured Cliffs	P	6	26	N 6 W
Rincon Unit Well #5	Blanco South Pictured Cliffs	P	32	27	N 6 W
Rincon Unit Well #26	Blanco South Pictured Cliffs	L	32	27	N 7 W
Rincon Unit Well #27	Blanco South Pictured Cliffs	M	13	27	N 7 W
Rincon Unit Well #29	Blanco Mesaverde	A	22	27	N 6 W
Rincon Unit Well #34	Blanco South Pictured Cliffs	K	28	27	N 7 W
Rincon Unit Well #39	Blanco South Pictured Cliffs	F	26	27	N 7 W
Rincon Unit Well #52	Blanco South Pictured Cliffs	H	20	27	N 6 W
Rincon Unit Well #55	Blanco South Pictured Cliffs	A	2	26	N 7 W
Rincon Unit Well #56	Blanco South Pictured Cliffs	J	2	26	N 7 W
Rincon Unit Well #64	Blanco South Pictured Cliffs	H	23	27	N 7 W
Rincon Unit Well #68	Blanco South Pictured Cliffs	P	27	27	N 7 W
Rincon Unit Well #186	Blanco Mesaverde	O	33	27	N 7 W
Rincon Unit Well #212	Otero Chacra	P	12	26	N 7 W
Rincon Unit Well #220	Otero Chacra	O	28	27	N 7 W
Rincon Unit Well #260	Fruitland Coal	H	32	27	N 6 W
Rincon Unit Well #277	Fruitland Coal	N	13	27	N 7 W

Potential Facility Projects

- Shelby Well Retie
- Lateral 2 to Lateral 4 connect
- Lateral 1 to Lateral 4 connect
- Lateral 2 grd power install
- Lay line to Lat 4 for 10 wells going in to Hi Line
- NMOCD required Below Grade Tank replacements listed below:
- Rincon Unit #072 SEC 33 27N 7W
- Rincon Unit #073 SEC 33 27N 7W
- Rincon Unit #128M SEC 28 27N 6W
- Rincon Unit #146 SEC 23 27N 6W
- Rincon Unit #169M SEC 26 27N 7W
- Rincon Unit #183E SEC 31 27N 6W
- Rincon Unit #186M SEC 33 27N 7W
- Rincon Unit #187E SEC 35 27N 7W
- Rincon Unit #193M SEC 35 27N 7W
- Rincon Unit #302 SEC 11 26N 7W
- Rincon Unit #303 SEC 33 27N 7W
- Rincon Unit #303M SEC 33 27N 7W
- Rincon Unit #306 SEC 34 27N 7W