RCVD FEB28'07
OIL CONS. DIV.
DIST. 3

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2007 FEB 23

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
NMSF 079364

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Rincon Unit # 127

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

9. API Well No.
30-039-06918

3a. Address
15 Smith Road Midland, Texas 79705

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

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

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
1190' FNL & 890' FEL
UL A, NENE, Sec. 28, T27N, R06W

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			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☑ Other **Pull Dual Tbg., Acid Treat Both Formations & DHC**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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/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 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.)

This well is currently dual completed in the Basin-Dakota (f/7364'-7586') and the Blanco-Mesaverde (f/4844'-4912'). On 1/31/1994 a Downhole Commingle Permit was approved (Administrative Order DHC-967) to produce commingled production from the Blanco-Mesaverde (72319) & the Basin-Dakota (71599) Pools. Chevron Midcontinent, L.P. now respectfully submits for your approval this NOI Sundry to pull the dual completion equipment out of the well, (which may involve fishing tubing and/or burning over Baker Model "D" packers in the wellbore), then acid treat both formations through their current respective perforations, and DHC produce both zones within this wellbore (approved DHC Order # 967) per the following procedure: (also see attached current & proposed wellbore schematics)

1. Install and test rig anchors. Comply w/ all BLM and Chevron HES Regulations.
2. MIRU WO Rig. R/U rig. Conduct safety meeting w/ all personnel on location. Blow down well and kill w/ water if necessary.
3. ND wellhead, NU Clean out spool, BOP's and 2-3" lines to flowback tank. Test BOP's.
4. Check annulus pressures.

(See Attached Continuation Page 2)

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 **02/20/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason** Title _____ Date **FEB 26 2007**

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)

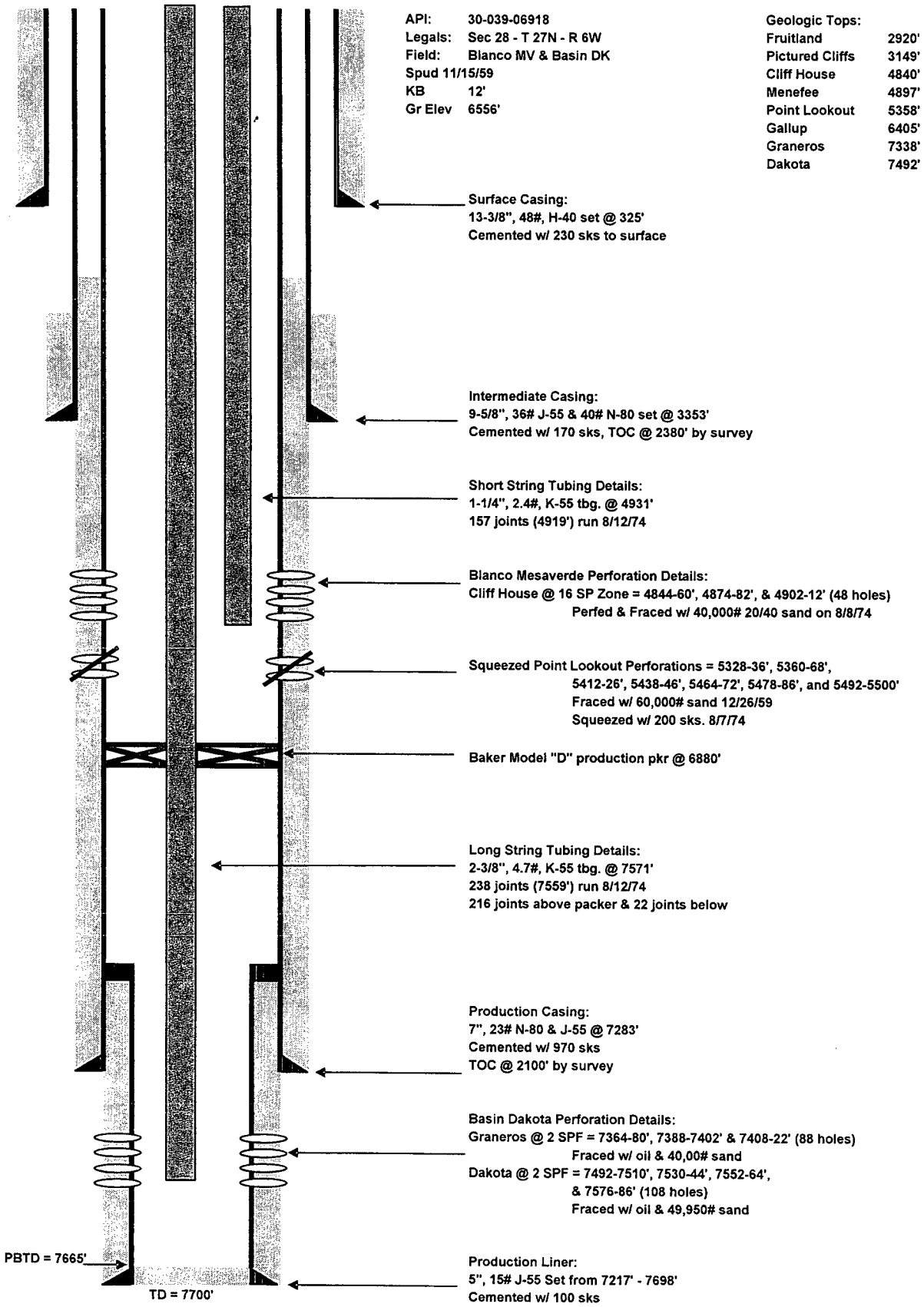
NMOCD

3/5/07

Rincon Unit Well #127
Blanco (Mesaverde) & Basin (Dakota) Fields
Rio Arriba County, New Mexico
Sec 28 - T 27N – R 6W
API: 30-039-06918

5. Screw into short string hanger, and POOH w/ 157 joints (4919.16') of 1-1/4" tubing as follows:
   156 joints 1-1/4" 2.4# K-55 10rd tbg (4884.21')
   Perforated pup joint (2.0')
   1 seating nipple (0.75')
   1 joint 1-1/4" 2.4# K-55 10rd tbg (32.20')
   * Tubing was run 8/12/74
6. R/U on long string and P/U to release seal assembly in Baker Model D production packer @ 6880'. Total assembly of 7558.74' as follows:
   2 2-3/8" 4.7# K-55 pup joints (4')
   216 joints 2-3/8" 4.7# K-55 8rd tbg (6851.88')
   1 Baker Model D Packer (4.20')
   21 joints 2-3/8" 4.7# K-55 8rd tbg (665.68')
   1 Seating nipple (0.85')
   1 joint 2-3/8" 4.7# K-55 8rd tbg (31.33')
   1 Baker expandable check valve (0.80')
7. RU retrieving tool and TIH to 6880'. Release or burn-over Baker Model D production packer @ 6880'. POOH with packer
8. RIH with 7" csg scraper, 6-1/8" bit & bit sub on workstring to TOL @ ~ 7217'. Circulate well with air and foam sweeps as needed. POOH
9. RIH with 5" csg scraper, 4-1/4 bit & bit sub on workstring to PBTD of 7665'. Circulate well clean with air and foam sweeps as needed. POOH.
10. RIH with workstring and 5" Packer to acidize the Dakota perforations (7364' – 7586').
11. Set Packer @ ~ 7314'.
12. Acidize the Dakota formation with 2450 gals acid (25 gal/foot of pay). Acid formulation and rate as per service company recommendation. Dakota has 98 net feet of pay between 7364' and 7586' with 2 SPF (196 holes)
13. Flow back well until pressure bleeds down. Kill well if necessary w/ 2% KCl water or formation water if available in field. Release packer and RI and circulate well clean with air and foam sweeps. Continue to clean until the wellbore shows no signs of acid residue.
14. POOH with 5" packer. PU 7" packer/RBP combo. Set RBP @ ~4962'. Move up hole with packer. Set packer @ 4794'. Test casing to 500 psi via 7" annulus. Release pressure.
15. Acidize the Mesaverde formation with 600 gals acid (25 gal/foot of pay). Acid formulation and rate as per service company recommendation. Mesaverde has 24 net feet of pay between 4844' and 4912' with 16 SP zone (48 holes)
16. Flow back well until pressure bleeds down. Kill well if necessary w/ 2% KCl water or formation water if available in field. Release packer and RI and circulate well clean, latch onto RBP @ ~4962'. POOH with workstring, packer and RBP combo. LD tools.
17. RIH with 2-3/8", 4.7#, J-55 production string as per Artificial Lift/Corr. Rep to PBTD of 7665'. Circulate well clean. Be sure return fluids are free of acid.
18. Land production tubing in Dakota perforations as per Artificial Lift/Corr. Rep's directions. Include landing nipple in details for plunger-lift operations.
19. ND BOP's. NU wellhead. Hook up to flow line.
20. Turn well over to production.

Rincon Unit Well #127
Rio Arriba County, New Mexico
Current Well Schematic as of 2-09-07
Long String is Plunger Lifted



API: 30-039-06918
Legals: Sec 28 - T 27N - R 6W
Field: Blanco MV & Basin DK
Spud 11/15/59
KB 12'
Gr Elev 6556'

Geologic Tops:

Fruitland	2920'
Pictured Cliffs	3149'
Cliff House	4840'
Menefee	4897'
Point Lookout	5358'
Gallup	6405'
Graneros	7338'
Dakota	7492'

Surface Casing:
13-3/8", 48#, H-40 set @ 325'
Cemented w/ 230 sks to surface

Intermediate Casing:
9-5/8", 36# J-55 & 40# N-80 set @ 3353'
Cemented w/ 170 sks, TOC @ 2380' by survey

Short String Tubing Details:
1-1/4", 2.4#, K-55 tbg. @ 4931'
157 joints (4919') run 8/12/74

Blanco Mesaverde Perforation Details:
Cliff House @ 16 SP Zone = 4844-60', 4874-82', & 4902-12' (48 holes)
Perfed & Fraced w/ 40,000# 20/40 sand on 8/8/74

Squeezed Point Lookout Perforations = 5328-36', 5360-68',
5412-26', 5438-46', 5464-72', 5478-86', and 5492-5500'
Fraced w/ 60,000# sand 12/26/59
Squeezed w/ 200 sks. 8/7/74

Baker Model "D" production pkr @ 6880'

Long String Tubing Details:
2-3/8", 4.7#, K-55 tbg. @ 7571'
238 joints (7559') run 8/12/74
216 joints above packer & 22 joints below

Production Casing:
7", 23# N-80 & J-55 @ 7283'
Cemented w/ 970 sks
TOC @ 2100' by survey

Basin Dakota Perforation Details:
Graneros @ 2 SPF = 7364-80', 7388-7402' & 7408-22' (88 holes)
Fraced w/ oil & 40,00# sand
Dakota @ 2 SPF = 7492-7510', 7530-44', 7552-64',
& 7576-86' (108 holes)
Fraced w/ oil & 49,950# sand

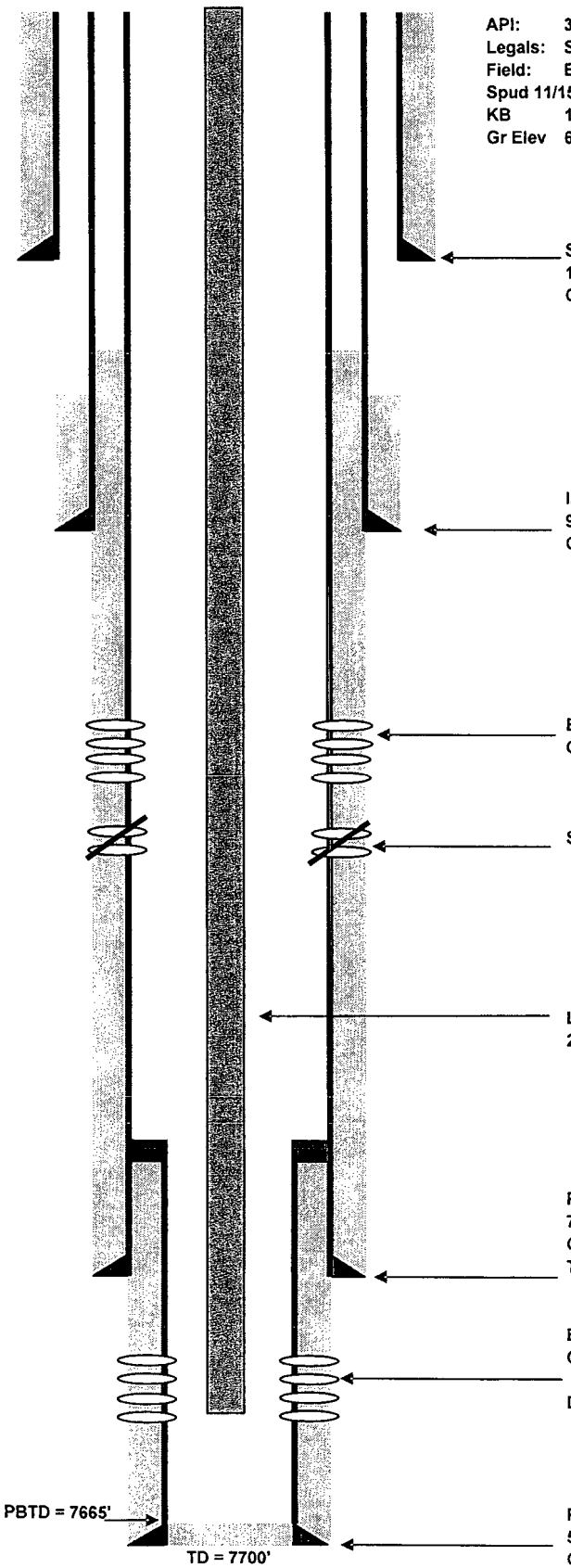
PBTD = 7665'

TD = 7700'

Production Liner:
5", 15# J-55 Set from 7217' - 7698'
Cemented w/ 100 sks
TOC @ 7217' (TOL) by Temp Survey

Prepared by: Jerry Schilling
Date: 2/09/2007

Rincon Unit Well #127
Rio Arriba County, New Mexico
Proposed Well Schematic
Well is set up to be Plunger Lifted



API: 30-039-06918
Legals: Sec 28 - T 27N - R 6W
Field: Blanco MV & Basin DK
Spud 11/15/59
KB 12'
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Geologic Tops:

Fruitland	2920'
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Cliff House	4840'
Menefee	4897'
Point Lookout	5358'
Gallup	6405'
Graneros	7338'
Dakota	7492'

Surface Casing:
13-3/8", 48#, H-40 set @ 325'
Cemented w/ 230 sks to surface

Intermediate Casing:
9-5/8", 36# J-55 & 40# N-80 set @ 3353'
Cemented w/ 170 sks, TOC @ 2380' by survey

Blanco Mesaverde Perforation Details:
Cliff House @ 16 SP Zone = 4844-60', 4874-82', & 4902-12' (48 holes)
Perfed & Fraced w/ 40,000# 20/40 sand on 8/8/74

Squeezed Point Lookout Perforations = 5328-36', 5360-68',
5412-26', 5438-46', 5464-72', 5478-86', and 5492-5500'
Fraced w/ 60,000# sand 12/26/59
Squeezed w/ 200 sks. 8/7/74

Long String Tubing Details:
2-3/8", 4.7#, K-55 tbg. @ ~ 7400'

Production Casing:
7", 23# N-80 & J-55 @ 7283'
Cemented w/ 970 sks
TOC @ 2100' by survey

Basin Dakota Perforation Details:
Graneros @ 2 SPF = 7364-80', 7388-7402' & 7408-22' (88 holes)
Fraced w/ oil & 40,00# sand
Dakota @ 2 SPF = 7492-7510', 7530-44', 7552-64',
& 7576-86' (108 holes)
Fraced w/ oil & 49,950# sand

PBTD = 7665'

Production Liner:
5", 15# J-55 Set from 7217' - 7698'
Cemented w/ 100 sks
TOC @ 7217' (TOL) by Temp Survey

TD = 7700'

Prepared by: Jerry Schilling
Date: 2/09/2007