(April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

XX Change Plans

Convert to Injection

FORM APPROVED

OMB No	1004-0137
Expires Ma	arch 31 2001

				5. Lease Serial No		
SUN	NDRY NOTICES AN	D REPORTS ON W	ELLS	SF-079	9364	
Do not use this form for proposals to drill or to re-enter an				6. If Indian, Allottee, or Tribe Name		
aband	<u>loned well. Use Form 31</u>	60-3 (APD) (con summ) pr	opasals 11	57		
	IPLICATE - Other Inst			7 If Unit or CA. Agreement Name and/	or No	
Type of Well			FCEIVED	Rincon Unit NM	NM 78406D	
Oil Well XX Gas Well	Other	070 F	ARMINGTON	Well Name and No.		
Name of Operator				Rincon Unit	#419	
hevron MidContinent, L.P.				9. API Well No.		
a Address		3b. Phone No. (inclu	de area code)			
.O. Box 36366, Houston, TX 77236 (281) 561-3599				30-039-27797		
	<u>. </u>	(201) 3	01 3377	10 Field and Pool, or Exploratory Area		
Location of Well (Footage, Sec., T.	, R., M., or Survey Description)			Blanco Mesaverde	/ Basin Dakota	
2290' FSL & 670' FEL / SEC 29 T27N R6W			11 County or Parish, State Rio Arriba County, New Mexico			
	PRIATE BOX(S) TO INI	DICATE NATURE OF 1	NOTICE, REPOR	T, OR OTHER DATA		
TYPE OF SUBMISSION			TYPE OF A	CTION		
XX Notice of Intent	Acidize	Deepen	Production (S	tart/ Resume) Water S	Shut-off	
	Altering Casing	Fracture Treat	Reclamation	Well In	tegnty	
Subsequent Report	Casing Repair	New Construction	Recomplete	Other		

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 or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA Required subsequent reports shall 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 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclaimantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Temporarily Abandon

Water Disposal

Plug and abandon

Chevron MidContinent, L.P. reports that we have chagned our drilling program for the above mentioned location. Please see the attached drilling program for your use and review. Should you have any questions or require any additional information, please feel free to contact us at anytime. RCVD AUGZ'07

OIL CONS. DIV.

DIST. 3

SEE ATTACHED FOR **CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.	 =	
Name (Printed/Typed) Jennifer Hudgens / / / / / / / / / / / / / / / / / / /	Title	Regulatory Technician
Signature 10 Mil of Hua art	Date	25-Jul-07
/ THIS SPACE FO	OR FE	EDERAL OR STATE OFFICE USE
Approved by Troy L Salvers	T	itle Petroleum Engineer Date 713012007
Conditions of approval, if any are attached. Approval of this notice does not warra sertify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations the	int of	0
Fitle 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make states any false, fictitiousor fraudulent statements or representations as to any matter w		crime for any person knowingly and willfully to make any department or agency of the United surrisdiction:

EIGHT POINT DRILLING PLAN

1. ESTIMATED FORMATION TOPS (KB):

Formation	Depth (ft)
Ojo Alamo	2322
Kirtland	2720
Fruitland Coal	3060
Picture Cliffs	3232
Lewis	3321
Mesa Verde (Cliff House)	4943
Mesa Verde (Menefee)	5013
Mesa Verde (Point Lookout)	5430
Mancos	5855
Gallup	6603
Greenhorn	7359
Granerros	7443
Dakota	7576
Burro Canyon	7711
TD (4 ½")	7760

2. NOTABLE ZONES AND PLAN FOR PROTECTION:

Gas or Oil Zones	Water Zones	Coal Zones		
Fruitland		Fruitland		
Pictured Cliffs	Ojo Alamo			
	Kirtland			
Cliffhouse				
Menefee				
Point Lookout				
Dakota				

Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the engineer's recommendations.

3. PRESSURE CONTROL EQUIPMENT:

Maximum anticipated pressure is ~ 2700 psi.

Pressure control equipment shall be in accordance with BLM minimum standards.

One 11" 3M double ram preventer and one 11" 3M annular preventer will be used. The double ram preventer will be equipped with pipe rams on bottom and

blind rams on top. All BOPs meet API 16D. One Shaffer 7 station accumulator, API 16E. One 3" 5M choke manifold. The choke and kill lines will be connected to outlets below the bottom rams, utilizing either the ram body outlet or a drilling spool with side outlets. Tests will be recorded on IADC log. Please refer to attached schematic. Test procedure and frequency shall be in accordance with BLM minimum standards for 3000 psi equipment, per BLM Oil & Gas Order #2.

4. SUPPLEMENTAL DRILLING EQUIPMENT AND CASING INFORMATION:

Casing Information: All casing will be new pipe and tested to 1500 psi.

Hole Size	O.D.	Weight (lb/ft)	Grade	Age	Connection	GL Setting Depth
12-1/4"	9-5/8"	36#	J-55	New	LTC	400'
8-3/4"	7"	20#	J-55	New	LTC	2900'
6-1/4"	4-1/2"	11.6#	N-80	New	LTC	7760'

^{*}Centralizers will be placed on the bottom three joints and every fourth joint thereafter.

Surface casing will be cemented to the surface with ~258 cu. ft. (~215 sx) Premium cmt (1.2 ft3/sx yield, 15.6 ppg, & 5.2 gps) with 2% CaCl2 and ½#/sx Poly-E-Flake. Volume based on 100% excess. We plan to run a minimum of at least 3 centralizers. A wiper plug will be displaced to within 20' of the shoe. WOC = 8 hours minimum. Surface casing will be tested to 500 psi for 15 minutes.

Intermediate casing will be cemented to surface with a single stage. Total cement = 745 cu. ft.. Volumes are calculated at 75% excess. If cement does not circulate to surface, then a temperature survey will be run to determine the actual cement top as needed. WOC = 8 hours minimum. Test to 1000 psi for 15 minutes.

Lead cement will be ~619cu. ft. (~328 sx) Premium Light w/ 5#/sx gilsonite, 12.4 ppg for a yield of 1.89 cu. ft. per sx.

Tail cement will be ~126 cu. ft. (~95 sx) 50/50 Poz Premium w/ 5#/sx gilsonite & ½#/sx Poly-E-Flake, 13.5 ppg for a yield of 1.32 Cu. ft. per sx.

Cementing equipment will include a guide shoe, and float collar will be run 20' off bottom. We plan on running at least 10 centralizers.

Production casing will be cemented up to 500' inside the intermediate casing with a single stage. Total cement = 1916 cu. ft.. Volumes are calculated at

75% excess. If necessary, a CBL will be run during completion operations to insure cement coverage inside the 7" intermediate casing. Casing will be pressure tested to 6000 psi during completion operations.

Cement will be ~954 cu. ft. (~729 sx) 50/50 Poz Premium w/ ¼#/sx Poly-E-Flake, 0.4% Halad ®-9, 0.1% HR-5, 13.5 ppg for a yield of 1.32 Cu. ft. per sx.

Cementing equipment will include a guide shoe, and float collar will be run 20' off bottom with a centralized shoe joint and next five joints. Centralizers will be run across the producing zones.

5. CIRCULATING MEDIUM AND MUD TYPE:

Depth	Type	Wt./ppg	Viscosity	Fluid Loss	рН
Spud – 400'	WBM	8.4 – 8.8	32 – 38	NC	9-9.5
400' – 2900'	WBM	8.4 9.0	28 – 42	10-12	9-10
2900' - TD	Air &/or Air/mist	n/a	n/a	n/a	n/a

Lost circulation and absorption material will be on location.

6. ANTICIPATED TYPE AND AMOUNT OF LOGGING, CORING, AND TESTING:

Open hole logs are planned. No cores or drill stem tests are planned.

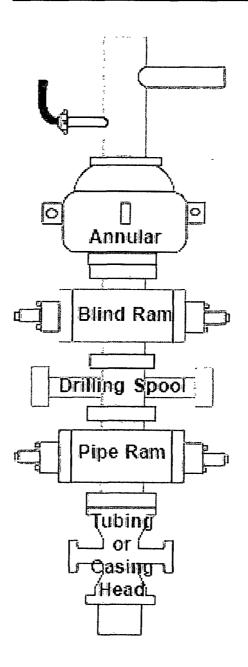
7. EXPECTED BOTTOM HOLE PRESSURE AND ANY ANTICIPATED ABNORMAL PRESSURE, TEMPERATURES, OR OTHER HAZARDS (H₂S, STEAM, ETC.) AND ASSOCIATED CONTINGENCY PLANS:

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be less than ~2700 psi.

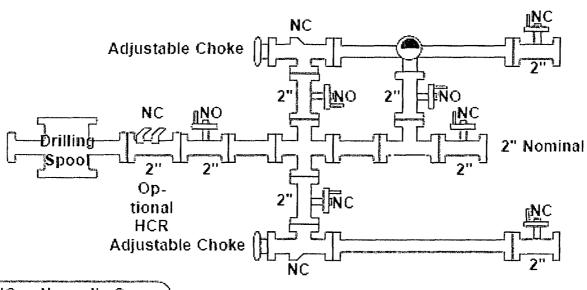
8. OTHER:

It is expected it will take approximately ten (10) days to drill and ten (10) days to complete the well. Completion will start approximately one month after the spud and will include hydraulic fracturing.

CLASS III BOP SCHEMATIC



CLASS III CHOKE SCHEMATIC



NO Normally Open NC Normally Closed

DRILLING CONDITIONS OF APPROVAL

Operator: Chevron MidContinent L.P.

Lease No.: NMSF-079364
Well Name: Rincon Unit #419

Well Location: Sec. 29, T27N, R06W; 2290' FSL & 670' FEL

I. Centralizers to impart a swirling action around the casing (such as turbolators) are required just below and into the base of the lowest usable water zone.

II. Since no BOPE test pressures were proposed, it is recommended that Chevron MidContinent L.P. test the BOP and related equipment according to Onshore Order No. 2 Minimum Standards and Enforcement Provisions For Well Control Equipment Testing.

*Test BOPE to a minimum of 1000 psi based on an anticipated surface pressure of 993 psi. Report all BOPE and casing pressure test results on sundry form 3160-5.