

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB 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.

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

2 Name of Operator
Chevron MidContinent LP

3a Address
11111 S. Wilcrest Dr C2203: Houston, TX 77099

3b Phone, Not (include area code)
(281) 561-3599

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
1617' FSL & 1113' FEL / Sec 11 T31N R13W

5 Lease Serial No
NMM-024907

6 If Indian, Allottee, or Tribe Name
RCVD FEB 14 '08

7 If Unit or CA Agreement Name and/or No
OIL CONS. DIV. DIST. 3

8 Well Name and No
Nickles 11 #3

9 API Well No
30-045-33309

10 Field and Pool, or Exploratory Area
Basin Fruitland Coal (71629)

11 County or Parish, State
San Juan, New Mexico

12. CHECK APPROPRIATE BOX(S) 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 checked="" type="checkbox"/> Altering 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 type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input 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 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 recompleat 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 reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Chevron MidContinent L.P. respectfully request that the casings sizes be changed according to the attached drilling plan. This information is also below. Should you have any questions or need additional information, please feel free to contact us at anytime.

Hole Size	O.D.	Weight (lb/ft)	Grade	Age	Connection	GL Setting Depth	Stage	Centralizers
12-1/4"	9-5/8"	36	J-55	New	LT&C	350.0	No	*
Cement	LEAD	LEAD	LEAD	LEAD	TAIL	TAIL	TAIL	TAIL
CASING	TYPE	PPG	CF/SX	SX	TYPE	PPG	CF/SX	SX
9-5/8"	Class G	15.6	1.18	176	---	---	---	100%

Verbal Approval from Henry Villanueva of the NMOCD on 2-7-2008 ~2:00pm and Steve Mason of the BLM on 2-7-2008 at ~ 2:18 pm.

14 I hereby certify that the foregoing is true and correct

Name (Printed/ Typed)
Jennifer Hudgens

Title

Regulatory Technician

Signature

Date

7-Feb-08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Troy L. Salvess**

Title **Petroleum Engineer**

Date **2-12-2008**

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 USC Section 1001 AND Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make 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

FOUR STAR OIL & GAS CO.
NICKLES 11 #3

1617 FEET FROM THE SOUTH LINE AND 1113 FEET FROM THE EAST LINE
SECTION 11, TOWNSHIP 31 NORTH, RANGE 13 WEST
SAN JUAN COUNTY, NEW MEXICO

EIGHT POINT DRILLING PLAN rev.2

1. ESTIMATED FORMATION TOPS (KB):

Formation	Depth
Ojo Alamo	438
Kirtland	544
Fruitland	1467
Fruitland Coal	1774
Picture Cliffs	2025
TD	2225

2. NOTABLE ZONES AND PLAN FOR PROTECTION:

Gas or Oil Zones	Water Zones	Coal Zones
Fruitland		Fruitland
Pictured Cliffs	Ojo Alamo	
	Kirtland	

Protection of oil, gas, water, or other mineral bearing formations: Protection shall be accomplished by cementing all casing back to the surface.

3. PRESSURE CONTROL EQUIPMENT:

Maximum anticipated surface pressure is less than 3000 psi.

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

A casing head with an 11", 3000 psi flange will be welded onto the surface casing.

BOP stack will consist of either 2 single gate or a double gate and annular preventer. The gate preventers will be equipped with pipe rams on bottom and blind rams on top. 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. The BOP stack will be 11" or 13.625" bore, 3000 psi working pressure or greater. The choke and kill lines will be 3" bore, 3000 psi working pressure or greater. 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	Stage	Centralizers
12-1/4"	9-5/8"	36	J-55	New	LT&C	350.0	No	*
8-3/4"	7"	23	N-80	New	LT&C	2225.0	No	As needed

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

Casing Design Information:

Design Factors:	9-5/8"	7"
Collapse value new pipe	2020	3830
Actual Collapse Load	160	1018
Collapse Safety Factor	12.6	3.8
Burst Value new pipe	3520	6340
Actual Burst Load	482	708
Burst Safety Factor	7.3	9.0
Tension value new pipe	564	442
Actual Tension Load	12.6	51.2
Tension Safety Factor	44.8	8.6

Cement Information:

CASING	LEAD TYPE	LEAD PPG	LEAD CF/SX	LEAD SX	TAIL TYPE	TAIL PPG	TAIL CF/SX	TAIL SX	EXCESS
9-5/8"	Class G	15.6	1.18	176	---	---	---	---	100%
7"	50/50 Poz	13.1	1.41	399	---	---	---	---	50%

5. CIRCULATING MEDIUM AND MUD TYPE:

Depth	Type	Wt./ppg	Viscosity	Fluid Loss	pH
Spud – 350'	FW - Spud	8.8 –	36 - 42	NC	
350' – 1724'	Water	8.5 –	32 - 36	NC	10.0 – 10.5
1724' – TD	FW – FW Gel / Drispac R	8.7 –	35 – 38 45 at TD	< 10	10.0 – 10.5

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

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

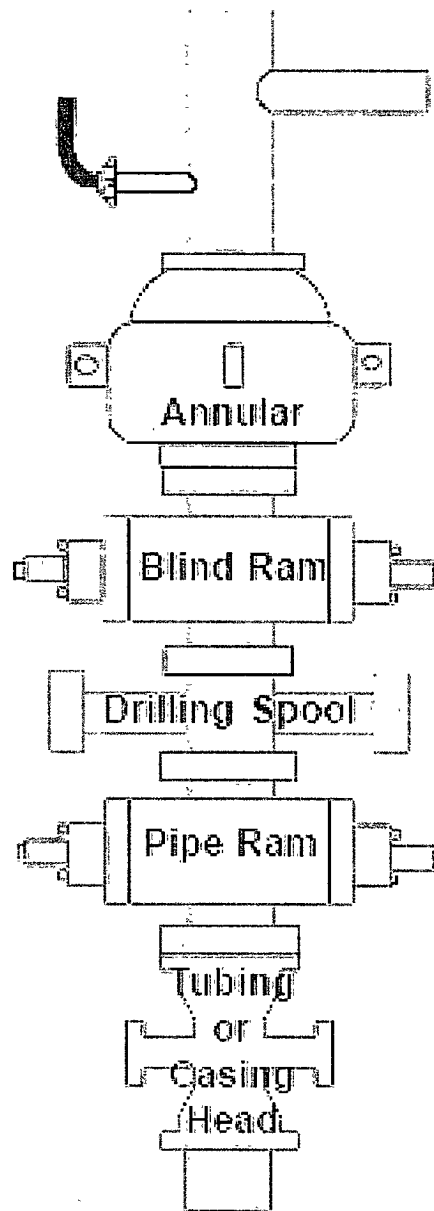
7. EXPECTED BOTTOM HOLE PRESSURE AND ANY ANTICIPATED ABNORMAL PRESSURE, TEMPERATURES, OR OTHER HAZARDS (H₂S, STEAM, ETC.) AND ASSOCIATED CONTINGENCY PLANS:

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be less than 3000 psi.

8. OTHER:

The anticipated spud date is February 8, 2008. It is expected it will take approximately eight (8) days to drill and twelve (12) days to complete the well. Completion will start approximately one month after the spud.

CLASS III BOP SCHEMATIC



CLASS III CHOKE SCHEMATIC

