Form 3160-5 (August 2007)

UNITED STATES DEPARTM BUR

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SUNDRY NOTICES AND REPORTS ON WEST STIELD Office.

Do not use this form for proposals to drill of to re-enternamental abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED OMB No. 1074-0137 Expires, July 31, 2010 5 Lease Serial No. SF079364 6 If Indian, Allottee or Tribe Name

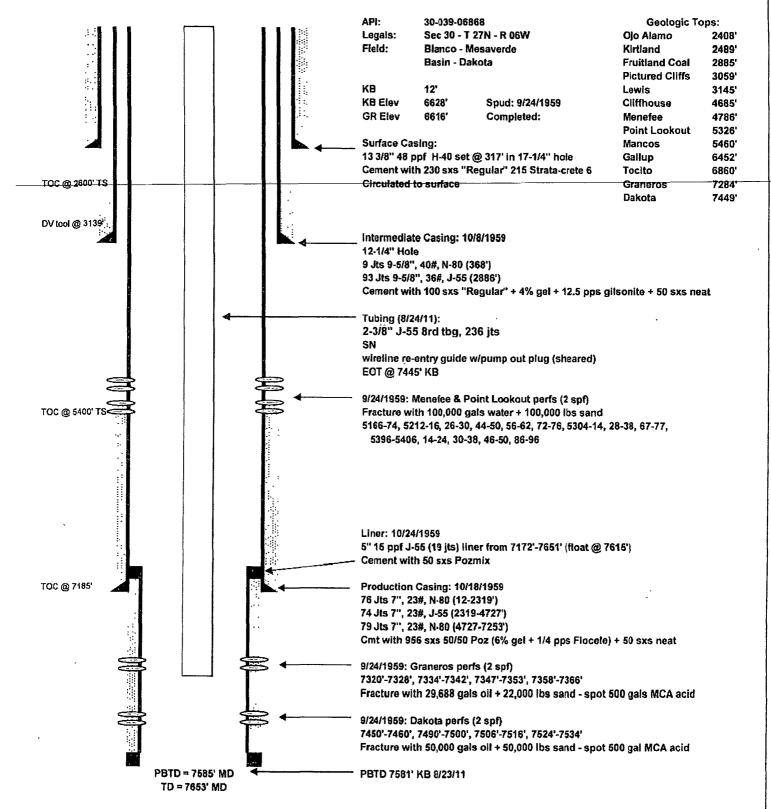
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Gobist IN THE CATE - One insubctions of page 2.			7. If Unit of CA/Agreement, Name and/or No. Rincon Unit				
	1:						
Oil Well	Vell Other				8. Well Name and No Rincon Unit No. 149		
2 Name of Operator Chevron Midcontinent, L.P.					9. API Well No 30-039-06868		
3a. Address PO Box 730, Aztec, NM 87410 (Altn: Michael M	(urray)	3b. Phone No	•		l	ol or Exploratory Area	
505-333-19		505-333-191	0	Basin Dakota / Blanco Mesaverde		co Mesaverde	
4 Location of Well (Footage, Sec., T., 1100' FSL, 1750'FW., Sec 30, 727N, R6W NMI	R ,M., or Survey Description) 			11. Country or Parish, State		
					Rio Arriba, NM		
12 CLIEC	CK THE APPROPRIATE BO	X(ES) TO INC	DICATE NATURI	OF NOTIC	CE, REPORT OR OTH	ER DATA	
TYPE OF SUBMISSION			TY	PE OF ACT	ION		
Notice of Intent	Acidize	Deep Deep	en	Prode	uction (Start/Resume)	Water Shut-Off	
	Alter Casing	Frac	ture Treat	Rech	amation	Well Integrity	
✓ Subsequent Report	Casing Repair	New	Construction	Reco	mplete	Other remove pkr, DHC,	
<u></u>	Change Plans	Plug	and Abandon	Temp	ouranty Abandon	provide MV/DK allocatio	
Final Abandonment Notice	Convert to Injection	Plug	Back	Wate	r Disposal	factors	
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.) Chevron Midcontinent, L.P. respectifully submits this Subsequent Report for your approval of work done to remove the packer and downhole commingle this well in the Blanco Mesaverde (72319) and Basin Dakota (71599) (pre-approved by Case No 12346 / Order No. R-11363 on April 26, 2000) per the following: July 20-28, 2011 - MIRU. JSA Test BOP's. POOH short string. Could not unsting long string from packer. Freept. Chemically cut tubing @ 5628'. LD 178 jts and 25' cutoff. Set RBP @ 4100'. Test casing to 500#. Passed. Set 2nd RBP @ 3000' to change out casing head. Retrieve RBP @ 3000'. ND BOPE. NU wh. Suspend ops with RBP @ 4000' in hole to move to Rincon 203 for frac preparation. RDMO. Aug 15-26, 2011 - MIRU. JSA. Test BOP's. Jarred tbg fish free from packer with overshot. Milled out Model D packer @ 5650'. Cleaned out to PBTD. Land new 2-3/8' J-55 tbg @ 7445'. ND BOPE. NU wh. RDMO. Please see attached wellbore schematic. In addition, we respectfully submit allocation factors for the downhole commingling of the Blanco Mesaverde (72319) and Basin Dakota (71599) Pools. Cas Oil Water Blanco Mesaverde (72319) 23 % 38 % 50 % Basin Dakota (71599) 77 % 62 % 50 % Please see attached plots for allocation justification.							
•	Blanco Mesaverde (72	2319) 23 %	38 % 50 %			1027 A 1023	
	Basin Dakota (71599)	77 %	62 % 50 %			6 DECE	
Please see attached plots for allocate	tion justification.					/® HECEIVED &	
(asing In	2,01,73					E 1007-2017	
14 Thereby certify that the foregoing is to	rue and connect Name (Printer	d/Typed)				\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	
Michael Murray	•		n All 4 Dan 4	#: T		OIL CONS DIV. DIST. 3	
			Title NM Prod	uction real	m Lead	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	
Signature Muchol h	/		Date 09/06/20	11	N	ELLINI SI 95	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by		· · · · · · · · · · · · · · · · · · ·			T	UCT Z 1 2011	
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Conditions of approval, if any, are attached	Approval of this notice does	not warrant or	Title			PHENOLUNIA PROPERTY OF THE PRO	
that the applicant holds legal or equitable ti entitle the applicant to conduct operations t	tle to those rights in the subject				E P	· ·	

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



Chevron

Rincon Unit # 149 Rio Arriba County, New Mexico Current Wellbore as of September 7, 2011



Prepared by Olle Lorehn

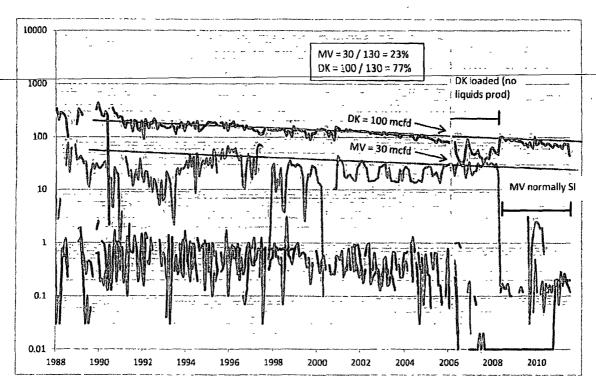
Date: 6/2/2010

Revised by: Date:

Jason Chow 9/7/2011

Chevron Midcontinent, L.P. Rincon Unit No. 149 (API# 3003906868) Allocation Factor Justification

In 2010, the Rincon 149 dual string well, MV string separated from DK string by packer, failed a packer leakage test. When we pulled the well in 2011, a shallow hole in tubing on the long Dakota string above the packer was discovered.



Operationally, the Mesaverde short string was connected to sales flowing, and the Dakota side was plunger lifted to wellsite separation. The Mesaverde in the Rincon Unit produces oil and water. Offset allocation factors suggest:

Well	MV Oil	MV Gas	DK Oil	DK Gas
138	57	43	43	57
139E	50	37	50	63
139	50	23	50	77
149M	5	55	95	45
149Q	49	40	51	60
1E	50	38	50	62
176E	6	25	94	75
Average	38	37	62	63

The first week's data post-commingle has the well producing 180 mcfd and 2.8 bopd flush. The last couple years, the Mesaverde string was shut in. When the well was pulled, slickline tagged fill over the Dakota perfs.