

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-039-06648

5. Indicate Type of Lease Federal
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
(Federal) NMSF 079302 B

7. Lease Name or Unit Agreement Name

Rincon Unit (302737 Property Code)

8. Well Number 11

9. OGRID Number
241333

10. Pool name or Wildcat
Basin-Dakota / Blanco-Mesaverde

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

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

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

3. Address of Operator
15 Smith Road Midland, Texas 79705

4. Well Location

Unit Letter K : 1607 feet from the South line and 1865 feet from the West line
Section 6 Township 26-N Range 06-W NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6,547' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Application for DHC Basin-Dakota & Blanco-Mesaverde ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Chevron Midcontinent, L.P. is respectfully submitting this application for Administrative Approval to Downhole Commingle (DHC) Production from the Basin-Dakota (71599) and Blanco-Mesaverde (72319) pools within the wellbore of the Rincon Unit # 11.

Both of these pools are included in the Pre-Approved Pools for Downhole Commingling established by NMOCD Division Order R-11363, Amending Rule 303.C (Case No. 12346 w/Exhibit "A"). Both pools within the Rincon Unit have common ownership or notice to all interest owners is excepted through NMOCD Division Order R-9893 (Case No. 10663). This DHC application has been concurrently filed on Form 3160-5 with the BLM.

The proposed perforated intervals are: Basin-Dakota f/7,182' - 7,374' and the Blanco-Mesaverde f/5,161' - 5,260'. We have not experienced any significant cross flows between these two intervals and all fluids produced from these intervals are compatible. Downhole commingling will not reduce the value of the total remaining production. Downhole Commingling will eliminate redundant surface equipment and increase potential of maximizing productivity and improving total recovery.

Production Allocation Percentages will be determined utilizing the "Subtraction Method" and will be presented later, based on actual performance, following the well work, of total commingled production rates minus current and historical production rates from the Basin-Dakota to determine allocation factors for the added Blanco-Mesaverde.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 01/24/2007

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. (432) 687-7158
For State Use Only

APPROVED BY: [Signature] TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE: 2/5/07

Conditions of Approval (if any):