

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.

5. Lease Serial No.
NM 72144 **Nm 72184**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NM 01228

8. Well Name and No.
CR "8" FEDERAL #1

9. API Well No.
30-025-27351

10. Field and Pool, or Exploratory Area
CINTA ROJA: MORROW (GAS)

11. County or Parish, State
LEA, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Chevron MidContinent, L.P.

3a. Address
15 Smith Road, Midland Texas 79705

3b. Phone No. (include area code)
432-687-7375

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980'FSL x 1980'FEL, Section 8, T24S, R3E

12. CHECK APPROPRIATE BOX(ES) 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 type="checkbox"/> Alter 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 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 checked="" 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 recomplate 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 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 Notices shall 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 requests approval to dispose of produced water for the subject well.

Please see attached information.

Any questions and / or comments should be addressed to Benny Nava @ 505-394-1224.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **BENNY NAVA** Title **OIL and GAS MEASUREMENT SPECIALIST**

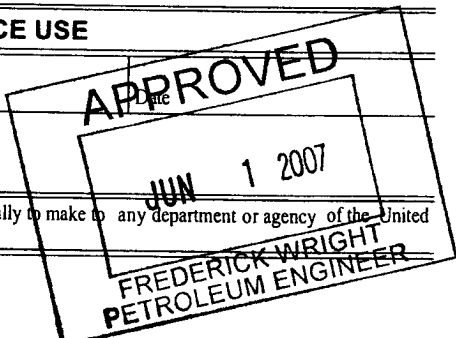
Signature *Benny Nava* Date **05/22/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____

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)

Water Production & disposal information

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. CINTA ROJA ; MORROW (GAS)
2. Amount of water produced from all formations in barrels per day. 1 - BBL OF WATER PER DAY
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (one sample will suffice if the water is commingled)
4. How water is stored on the lease. WATER TANK
5. How water is moved to the disposal facility. Transport
6. Identify the Disposal Facility by :
 - A. Facility operators name. Nabors Well Services L.T.D
 - B. Name of facility or well name & number. STATE AB SWD Well #1
 - C. Type of facility or well (WDW) (WIW) etc. Water Disposal Well
 - D. Location by 1/4 1/4 _____ section 3 township 19S range 37E
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, 414 West Taylor, Hobbs, NM 88240, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice.) Call me at 505-393-3612 if you need to further discuss this matter.



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
ARAPAHOE
ATTN: CORY SMITH
P.O. BOX 1127
HOBBS, NM 88241
FAX TO: (505) 393-6374

Receiving Date: 03/22/07
Reporting Date: 03/27/07
Project Owner: CHEVRON USA
Project Name: PRODUCED WATER TANK
Project Location: CR FEDERAL 8 BATTERY

Sampling Date: 03/21/07
Sample Type: WATER
Sample Condition: COOL & INTACT
Sample Received By: LB
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
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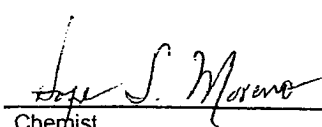
ANALYSIS DATE:	03/27/07	03/27/07	03/27/07	03/27/07	03/26/07	03/26/07
H12377-1	PRODUCED WATER	7733	739	153	247	36700
	TANK					176
Quality Control	NR	47.9	53.2	1.95	1391	NR
True Value QC	NR	50.0	50.0	2.00	1413	NR
% Recovery	NR	95.8	106	97.7	98.4	NR
Relative Percent Difference	NR	5.5	1.5	1.0	0.9	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
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ANALYSIS DATE:	03/26/07	03/27/07	03/26/07	03/26/07	03/26/07	03/27/07
H12377-1	PRODUCED WATER	13196	809	0.0	215	6.63
	TANK					24600
Quality Control	490	23.5	NR	854	6.93	NR
True Value QC	500	25.0	NR	1000	7.00	NR
% Recovery	98	94	NR	85.4	99	NR
Relative Percent Difference	0.0	6.2	NR	0.0	0.1	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Chemist

03-27-07

Date

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by Client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.