

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No 1004-0137  
Expires October 31, 2014

AUG 27 2012

**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.**

Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No  
NMSF079600

6 If Indian, Allottee or Tribe Name

7 If Unit of CA/Agreement, Name and/or No

## 1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

## 2 Name of Operator

Four Star Gas &amp; Oil Company

## 3a Address

ATTN: Regulatory Specialist  
332 Road 3100 Aztec New Mexico 87410

## 3b Phone No (include area code)

505-333-1941

8 Well Name and No.  
CW Roberts #59 API Well No  
30-039-2129510. Field and Pool or Exploratory Area  
39189 Lindrith Gallup-Dakota West

## 4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

1850' FNL 1650' FWL Sec 17, Twp 25N, Rng 3W

11 County or Parish, State  
Rio Arriba, New Mexico

## 12. CHECK THE 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 checked="" type="checkbox"/> Other Proposed Allocation
	<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 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 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 must 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 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 respectfully submits the proposed allocation for the Blanco Mesaverde formation. Actual allocation will be provided in approximately six months once the well production has stabilized.

Gallup Dakota West Gas 12% mcfd Oil 33% bopd

Blanco Mesaverde Gas 88% mcfd Oil ~~47%~~ bopd 67 %

RCVD SEP 13 '12

OIL CONS. DIV.

DIST. 3

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

April E. Pohl

Title Regulatory Specialist

Signature

April E Pohl

Date

8/27/2012

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 9-28-12

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 FFD

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)

NMOCD

# **CW Roberts 5 Mesaverde Allocation Proposal**

## **Well History**

This well was drilled in 1977 and completed in the Gallup-Dakota formation. Four Star Oil & Gas CO proposes to add a Mesaverde completion and downhole commingle with the Gallup-Dakota. On current spacing and with the economic limitations in drilling a stand-alone Mesaverde well, this is the most economic method of capturing the Mesaverde reserves. By running artificial lift (rod pump) will prevent downhole problems between these three zones.

## **Production History**

The current production is 20 mcf/d from the Gallup-Dakota with very little oil and water. An estimated stabilize rate for the Mesaverde completion is 150 mcf/d and 1 bopd. This estimate is based on IP's, stabilized rates and current production nearby MV completions in CW Roberts area (see attached graphs and table for supporting data). With this estimated rate, the allocation factor for this Mesaverde recompletion is 67% Oil and 88% Gas with the other 33% Oil and 12% Gas from the current Gallup-Dakota producing zone.

## **Allocation of Production**

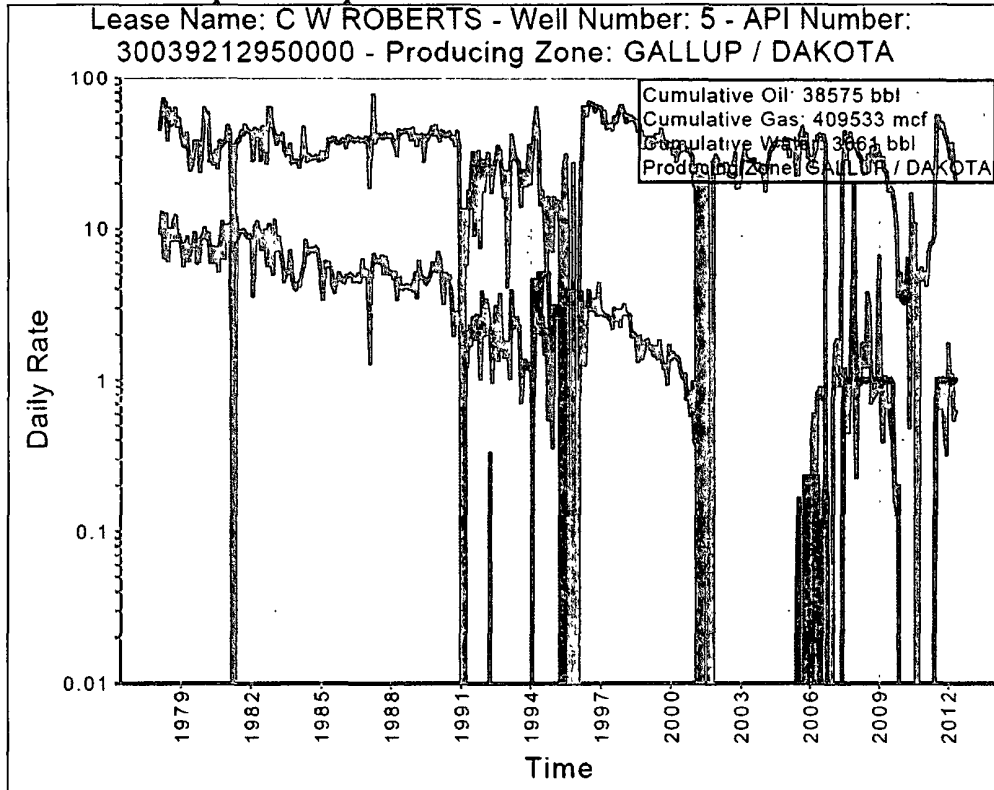
Four Star Oil & Gas CO proposes to use an allocation based on the subtraction method. A baseline of production and decline will be established from the existing production data. The incremental production added after the Mesaverde completion will be used to determine an appropriate allocation factor for the new zone. See the attached historical production curves for the existing Gallup-Dakota producing zones.

## **Working Interest and Royalty**

Four Star Oil & Gas CO own 100% working interest in all formations in this area including Mesaverde formation. There is no uncommon interest case for these two zones.

Overall, the approval of this recompletion with rod pump will ensure the best way to recover marginal remaining reserves in the life of the CW Roberts 5 well. By doing so, this would protect the correlative rights and eliminate waste.

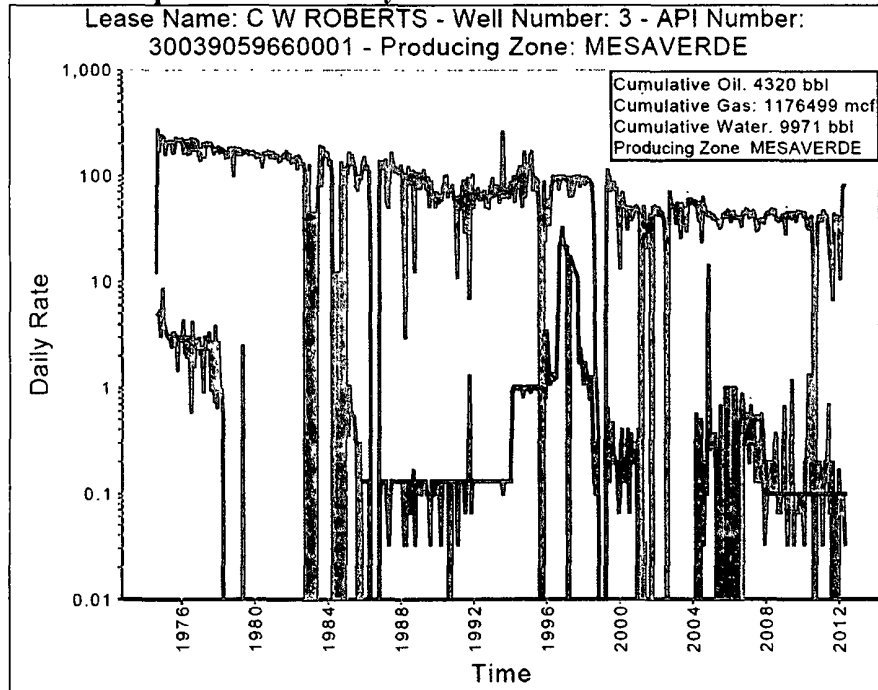
### Historical Gallup-Dakota production rates:



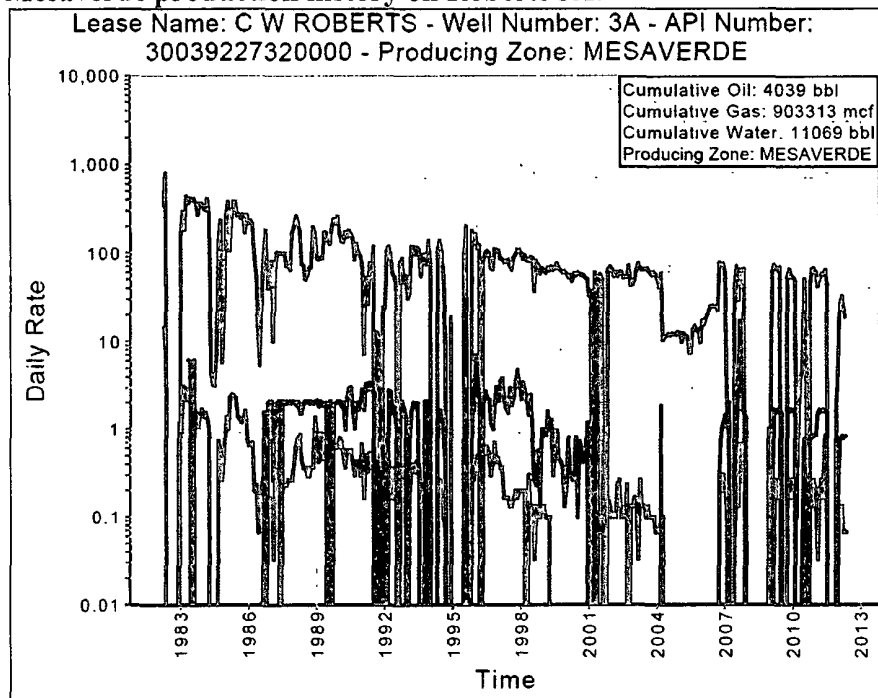
**Offset Mesaverde Well Production** - justification for Roberts 5 Mesaverde recompletion.

Well #	API	MV completion	Mesaverde IP (mcf/d)	Mesaverde Stabilize Rate (mcf/d)	Current Mesaverde Rate (mcf/d)
Roberts 3	300390596600	1975	280	200	40
Roberts 3A	300392273200	1983	400	300	30
Roberts 6	300392273100	1982	500	300	50
Roberts 6A	300392278400	1983	400	280	removed PU in 2005
Roberts 7	300392310200	1984	500	300	P&A'd in 2008
Roberts 8	300392310100	1984	400	250	P&A'd in 2009
Roberts 8A	300392537500	1995	300	200	70
Average			397	261	48

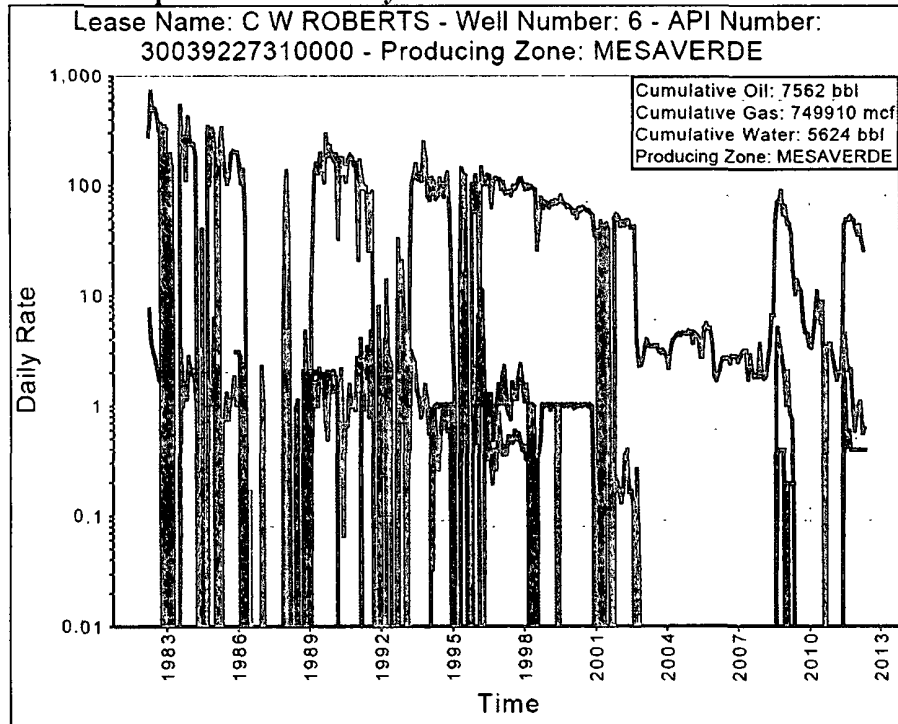
### Mesaverde production history on Roberts 3:



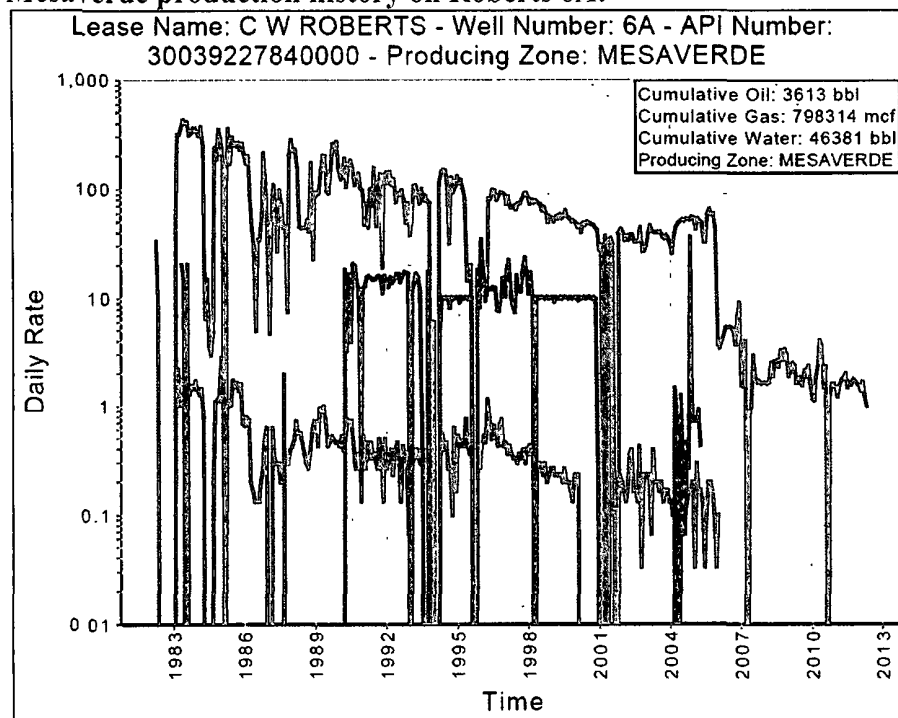
### Mesaverde production history on Roberts 3A:



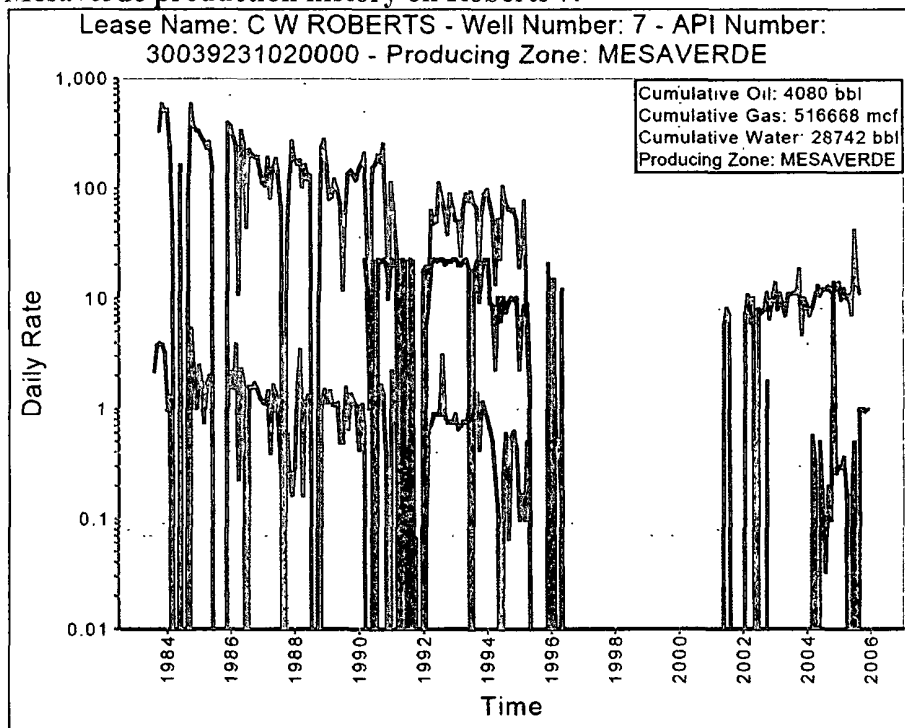
### Mesaverde production history on Roberts 6:



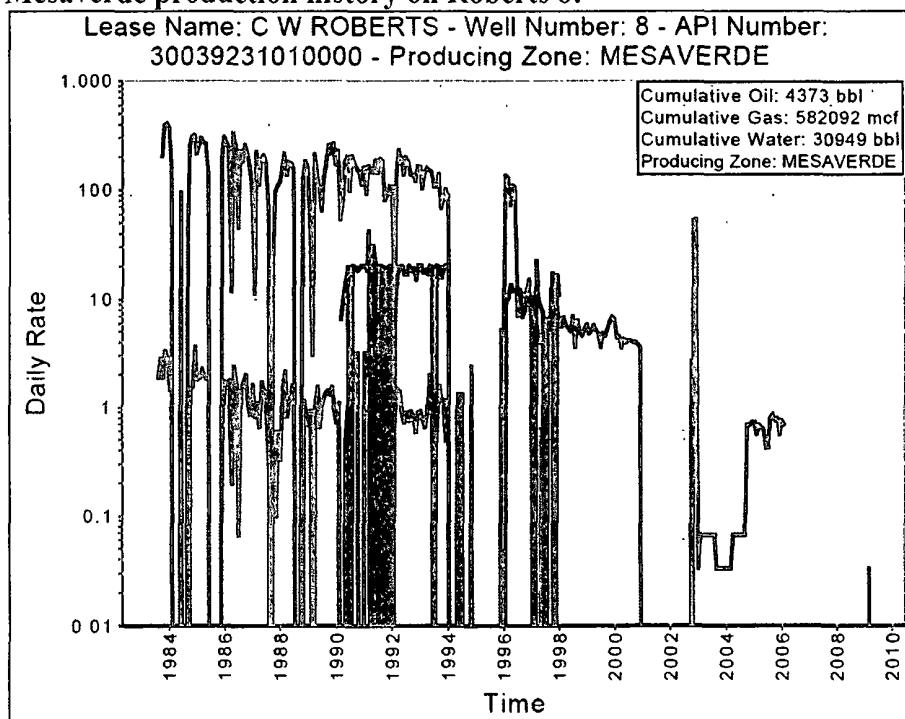
### Mesaverde production history on Roberts 6A:



### Mesaverde production history on Roberts 7:



### Mesaverde production history on Roberts 8:



### Mesaverde production history on Roberts 8A:

