

Submit 1 Copy To Appropriate District  
Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

WELL API NO. 30-045-27583
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Chavez H2
8. Well Number 2
9. OGRID Number 131994
10. Pool name or Wildcat Basin Fruitland Coal

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Four Star Gas & Oil Company	
3. Address of Operator AttnTTN: Regulatory Specialist 332 Road 3100 Aztec, New Mexico 87410	
4. Well Location Unit Letter <u>H</u> : 2440 feet from the <u>N</u> line and <u>828</u> feet from the <u>E</u> line Section <u>2</u> Township <u>31N</u> Range <u>13W</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GL 5748'	

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 ☐  
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/16/2011 Flowing casing pressure = 10 psi. RU pump & lines. RU Key 154.

LD PR & ponys. LD eight 1-1/4" sinker bars, stabilizer bar, and 2" x 1-1/4" x 12' x  
12' 3" RHAC pump. Pump would not stroke in completely. Install TIW.

NU BOPs & pressure test same 250 low, 1500 psi high. Tests good. Pressure test

12/19/2011 2-3/8" TIW, test good.

RIH w/ 3 additional jts workstring on production tubing & tag 12' in on 3rd joint.  
LD tubing & tally same. Tagged @ PBTD 2132'.

Tally workstring & TIH to PBTD w/ 5-1/2" casing scraper. TOH standing back.

RCVD JUL 27 '12  
OIL CONS. DIV.  
DIST. 3

*Submit CBL Ran on 12/21/11*

See attached sheet for remaining information.

Spud Date:

03-23-1990

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE April E. Pohl TITLE Regulatory Specialist DATE 7-26-2012

Type or print name April E. Pohl E-mail address: April.Pohl@chevron.com PHONE: 505-333-1941

For State Use Only

APPROVED BY: B. Bell TITLE Deputy Oil & Gas Inspector, DATE 8/6/12  
District #3

Conditions of Approval (if any):

*RV*

Continued from first page.

12/20/2011 TIH w/ CIBP and set same at 1941' KB. Load hole w/ 2% KCl water. Close blind rams and pressure test CIBP/CSG/Blinds to 1000 psi. Pull 2 joints & install Baker tension packer. Pressure casing to 1000 psi w/ rig pump. Hook-up pressure tester and pressure to 3000 psi w/ test pump. Chart results for 15 min. Rock solid.

RIH w/ rods (triples) and POOH LD same. TOH LD workstring & Baker setting tool.

12/21/2011 RU Schlumberger. RIH w/ Cement Bond Log / Gamma Ray / CCL. Get on depth w/ Litho Density / Gamma Ray dated 24 March 1990. Pull bond log from 1922' to surface. Bond is good particularly in the zone of interest. RIH w/ 4" HEGS guns loaded w/ 4 spf / 90 deg phasing. Correlate depth to gamma ray and perforate well from 1789-1795', 1805-1806', 1809-1811.5', 1875.5-1879', 1884-1891', 1896-1898', 1916.5; 1919' in three runs. Ninety-eight shots over 130'. RD.

Will leave 5000 psi BOP on well w/ B1 cap to facilitate rigging-up for frac.

12/22/2011 Moved off location

1/29/2012 MIRU Frac Equipment, Note: Wtr heated on 27th

Open well, SIWHP - 110 psi, Load well, Pump 1300 gal acid w/ 156 bio balls in last 900 gal, Broke at 1455 psi @ 5.4 bpm. Flush, Pumped 17, 575 gal pad, Pumped 17736 gal 1/2 ppg treatment and lost gel, went to flush. Repairs to master gel valve and restarted job, Pumped 1282 sacks 20/40 PR in 6 sand stages w/ max of 5.26 ppg bttm hole concentration at avg 30.4 bpm and 1956 psi. Max psi of 2310 psi. ISIP - 1511 psi, 5 min-1330 psi, 10 min - 1269 psi, 15 min - 1226 psi, SI well, FG - 1.2 psi/ft. Coated 1278 sks w/ SWXS @ 2 gal/1000lbs starting at 0.5 ppg stage, Bbls load to recover - 2513 bbls, 32% pad pumped, Pumped 77436 gal of 17 cp Delta 140 w/ SWXS(excluding 1763 gal WaterFrac G Flush). Shut in well.

1/30/2012 Move rig and air equipment to location. Spot basebeam, spot rig. Check well, SIWHP - 0 psi, vacuum.

1/31/2012 Check well, SIWHP - 0 psi. Test pipe rams to 250/1500 psi. Test good.

PU & RIH w/ 4 3/4" junk mill w/ float in bit sub on 2 7/8" workstring. Tag @ 1864' on 59 jts. RU Power Swivel.

Start air, Establish circulation, Pressure built to 600 and fell to 400 psi, Start mist @ 10 bph & 380psi. Unloaded 40 bbls initially.

Circulate off bttm, pump sweeps. Recovering frac sand, small amount of coal SD air, RD Power Swivel, POOH w/ 12 jts 2 7/8" workstring, Secure well, SDFN.

2/1/2012 Check well, SITP - 0 psi (string float), SICP - 100 psi, Open well to flowback tank

RIH w/ 2 7/8" workstring, Tag for fill at 2127' (5' fill)

Start air, establish circulation, Unloaded well @ 400 psi, Start mist at 10 bwph, Wash 5' sand to PBTD @ 325 psi, 1200 scfm air, Circulate off bttm, Pump sweeps. End of day SD air, pooh w/ 13 jts 2 7/8" workstring. Secure well. SDFN.

2/2/2012 Check well, SITP - 0 psi (String Float), SICP - 80 psi. Open well to flowback tank.

RIH w/ 13 jts 2 7/8 workstring, Tag @ 2132' PBTD, No fill, POOH, LD 67 jts workstring, 4 3/4" mill.

Change rams to 2 3/8, change handling equipment & caliper elevators, swap pipe to prod tbg.

Spot equipment, Test pipe rams to 250/1500 psi. Test good, Tally pipe  
PU & RIH w/ muleshoe, SN, 51 jts 2 3/8 L80 prod tbg  
RIH w/ 2 3/8" tbg banding cap string to last 13 jts, Install Hangar and land tbg, EOT -  
2057.47, SN@ 2040.8Muleshoe(15.57), SN(1.10), 64 jts 2 3/8, 4.7#, L80 tbg(2028.80), 412'  
of cap string,  
RD Floor, Tongs, ND BOP's  
NU Wellhead, test void to 1500 psi. Change out handling equipment for rods. Secure well,  
SDFN.

2/3/2012 Check well, SITP - 0 psi, SICP - 80 psi, Open well to flowback tank.

Pump corrosion inhibitor down backside and tbg.

RIH w/ 2" x 1 1/2" x 12' RWAC pump, pump # cx560, stabilizer bar, 4 - 1 1/4" x 25' sinker  
bars, 4 - 3/4" x 25' guided rods, 72 - 3/4" x 25' rods, Space out w/ 2 - 6' x 3/4" pony rods, 1  
8' x 3/4" pony rod, 1 1/4" x 18' Polish Rod.

Load & Test 2 3/8" tbg to 500 psi. Test good, Check pump action w/rig, good action.

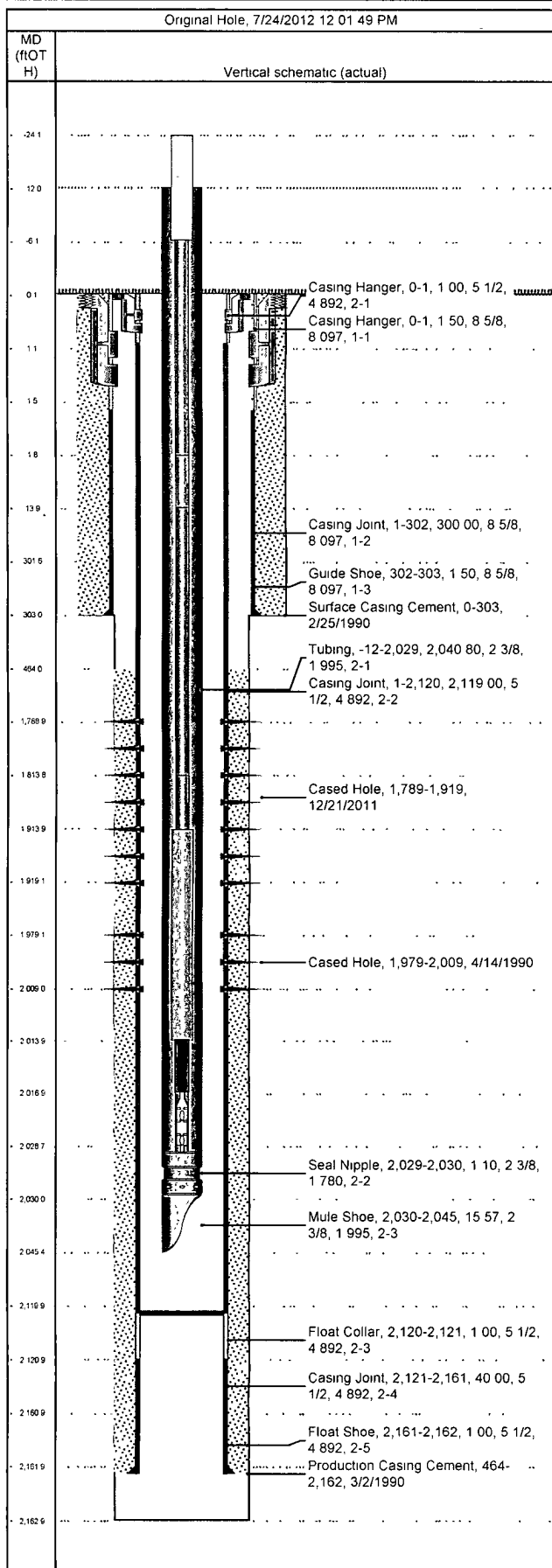
RDMO.



# Wellbore Schematic

RCVD JUL 27 '12  
OIL CONS. DIV.  
DIST. 3

Well Name Chavez H2-2	Lease Chavez	Field Name Basin(New Mexico)	Business Unit Mid-Continent/Alaska
--------------------------	-----------------	---------------------------------	---------------------------------------



## Job Details

Job Category	Start Date	Release Date
Major Rig Work Over (MRWO)	12/16/2011	2/3/2012

## Casing Strings

Csg Des	OD (in)	Wt/Len (lb/ft)	Grade	Top Thread	Set Depth (MD) (ftOTH)
Surface	8 5/8	24 00	J-55		303
Production Casing	5 1/2	17 00	K-55		2,162

## Tubing Strings

### Tubing - Production set at 2,045.5ftOTH on 2/2/2012 13:15

Tubing Description		Run Date		String Length (ft)		Set Depth (ftOTH)	
Tubing - Production		2/2/2012		2,057 47		2,045 5	
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Btm (ftOTH)	
Tubing	64	2 3/8	4 70	L-80	2,040 80	2,028 8	
Seal Nipple		2 3/8			1.10	2,029.9	
Mule Shoe		2 3/8	4.70	L-80	15.57	2,045.5	

## Rod Strings

### Long Rod on 2/3/2012 10:00

Rod Description		Run Date		String Length (ft)		Set Depth (ft)OTH	
Long Rod		2/3/2012		2,053 00		2,028.8	
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Btm (ft)OTH	
Polished Rod	1	1 1/4			18 00	-6 2	
Pony Rod	1	3/4			8 00	1 8	
Pony Rod	2	3/4			12.00	13.8	
Sucker Rod	72	3/4	1 63	D	1,800 00	1,813.8	
Sucker Rod-Guided 5 per	4	3/4	1 63	D	100 00	1,913 8	
Sinker Bar	4	1 1/4	4 17		100 00	2,013 8	
Stabilizer Bar	1	3/4			3 00	2,016.8	
Rod Pump		3/4			12 00	2,028.8	

## Perforations

Date	Top (ftOTH)	Btm (ftOTH)	Shot Dens (shots/ft)	Entered Shot Total	Zone & Completion
12/21/2011	1,789.0	1,919.0	4 0	104	Fruitland-Upper, Original Hole
4/14/1990	1,979.0	2,009.0			Fruitland-Basal, Original Hole

## Other Strings

Run Date	Pull Date	Set Depth (ftOTH)	Com