

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 8/11/2014
Well information:

| API WELL # | Well Name | Well # | Operator Name | Type | Stat | County | Surf. Owner | UL | Sec | Twp | N/S | Rng | W/E |
|--------------------|-----------|--------|------------------------|------|------|----------|-------------|----|-----|-----|-----|-----|-----|
| 30-045-30204-00-00 | BLANCO | 001A | FOUR STAR OIL & GAS CO | G | A | San Juan | F | O | 1 | 27 | N | 9 | W |

Application Type:

☐ P&A ☐ Drilling/Casing Change ☒ Recomplete/DHC
☐ Location Change ☐ Other:

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Perform remedial work on cement over the Fruitland interval to be completed in accordance with NMOCD rules, CBL after work needs to be provided to agencies for review/approval

Provide CBL from March 2008 as noted on wellbore diagram dated October 9th, 2013

NMOCD Approved by Signature

8-14-2014
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**5. Lease Serial No.
1149IND8463
6. If Indian, Allottee or Tribe Name
EASTERN NAVAJO
7. If Unit or CA/Agreement, Name and/or No.8. Well Name and No.
BLANCO 1A9. API Well No.
30-045-30204-00-C110. Field and Pool, or Exploratory
BLANCO MESAVERDE
OTERO CHACRA11. County or Parish, and State
SAN JUAN COUNTY, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
FOUR STAR OIL GAS COMPANYContact: APRIL E POHL
E-Mail: APRIL.POHL@CHEVRON.COM3a. Address
11111 WILCREST
HOUSTON, TX 770993b. Phone No. (include area code)
Ph: 505-333-1941
Fx: 505-334-7134

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

Sec 1 T27N R9W SWSE 700FSL 1900FEL

OIL CONS. DIV DIST. 3**AUG 13 2014****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 checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Subsurface Commingling |
| | <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 shall 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 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.)

FOUR STAR OIL & GAS COMPANY RESPECTFULLY SUBMITS THIS AMENDED REQUEST TO PERFORM DHC WORK ON THE BLANCO 1 A.

PER DHC 4686 ISSUED BY THE NMOCD JULY 11, 2014, the commingling procedure will be done as follows:

Rig up, install BOP and test
Pull tubing. Run 4-3/4" bit and scrapper to PBTD 4538.
Set bridge plug at ~2850' Load casing with water and test to 500 psi
Run Gr-CCL log, perforate Fruitland coal 1915'-1930', 1940'-1955 and 1970'-1990'
Frac Fruitland Coal
Drill out plug at ~2850' proceed to cleanout to PBTD 4538'
Reinstall plunger lift equipment for downhole commingled Mesaverde, Chacra and Fruitland intervals

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #256536 verified by the BLM Well Information System For FOUR STAR OIL GAS COMPANY, sent to the Farmington Committed to AFMSS for processing by JIM LOVATO on 08/11/2014 (14JXL0231SE) | |
| Name (Printed/Typed) APRIL E POHL | Title PERMITTING SPECIALIST |
| Signature (Electronic Submission) | Date 08/11/2014 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------|
| Approved By <u>JIM LOVATO</u> | Title <u>PETROLEUM ENGINEER</u> | Date <u>08/11/2014</u> |
| 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 Farmington | | |

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ******NMOCD PV**

Additional data for EC transaction #256536 that would not fit on the form

32. Additional remarks, continued

Return well to production

Revisions to Operator-Submitted EC Data for Sundry Notice #256536

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Sundry Type: | SUBCOM NOI | SUBCOM NOI |
| Lease: | I149IND8466 | I149IND8463 |
| Agreement: | | |
| Operator: | FOUR STAR OIL & GAS COMPANY 332 ROAD 3100 AZTEC, NM 87410 Ph: 505-333-1941 | FOUR STAR OIL GAS COMPANY 11111 WILCREST HOUSTON, TX 77099 Ph: 281.561.4927 |
| Admin Contact: | APRIL E POHL PERMITTING SPECIALIST E-Mail: APRIL.POHL@CHEVRON.COM Cell: 505-386-8074 Ph: 505-333-1941 Fx: 505-334-7134 | APRIL E POHL PERMITTING SPECIALIST E-Mail: APRIL.POHL@CHEVRON.COM Cell: 505-386-8074 Ph: 505-333-1941 Fx: 505-334-7134 |
| Tech Contact: | APRIL E POHL PERMITTING SPECIALIST E-Mail: APRIL.POHL@CHEVRON.COM Cell: 505-386-8074 Ph: 505-333-1941 Fx: 505-334-7134 | APRIL E POHL PERMITTING SPECIALIST E-Mail: APRIL.POHL@CHEVRON.COM Cell: 505-386-8074 Ph: 505-333-1941 Fx: 505-334-7134 |
| Location: | | |
| State: | NM | NM |
| County: | SAN JUAN COUNTY | SAN JUAN |
| Field/Pool: | BASIN FRUITLAND | BLANCO MESAVERDE OTERO CHACRA |
| Well/Facility: | BLANCO 1 A Sec 1 T27N R9W SWSE 700FSL 1900FEL 36.699013 N Lat, 107.737369 W Lon | BLANCO 1A Sec 1 T27N R9W SWSE 700FSL 1900FEL |

BLM CONDITIONS OF APPROVAL

CASING REPAIR, WORKOVER AND RECOMPLETION OPERATIONS:

1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs. If a CBL or other logs are run, provide this office with a copy.
2. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minute test period. Provide test chart with your subsequent report of operations
3. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.
4. Contact this office at (505) 564-7750 prior to conducting any cementing operations: Please contact Jim Lovato @ (505) 320-7378 if casing leaks are identified and a plan of repair is established.

SPECIAL STIPULATIONS:

1. Pits will be fenced during work-over operation.
2. All disturbance will be kept on existing pad.
3. All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.
4. Pits will be lined with an impervious material at least 12 mils thick.