

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South Frist, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2041 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-10
Revised March 25, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copie
Fee Lease - 5 Copie
 AMENDED REPORT

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Four Star Oil and Gas Co. 3300 N. Butler Ave, Ste100 Farmington NM 87401		² OGRID Number 131994
⁴ Property Code 28043	⁵ Property Name NEW MEXICO STATE 32	³ API Number 30-045-30832 ⁶ Well No. 3

⁷ Surface Location

Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
0	32	30N	11W		1255	SOUTH	1480	EAST	SAN JUAN

⁸ Proposed Bottom Hole Location If Different From Surface

Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
⁹ Proposed Pool 1 Basin FRUITLAND Coal					¹⁰ Proposed Pool 2				

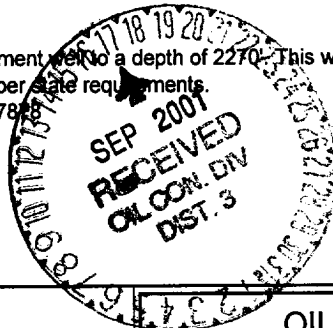
¹¹ Work Type Code N	¹² WellType Code G	¹³ Rotary or C.T. R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 5892'
¹⁶ Multiple N	¹⁷ Proposed Depth 2270'	¹⁸ Formation FT	¹⁹ Contractor KEY	²⁰ Spud Date 11/15/01

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-3/4"	9-5/8" K-55	36#	350'	210SX	SURFACE
8-3/4"	5-1/2" N-80	15.5#	2270'	280SX	SURFACE

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Four Star Oil and Gas Company proposes to drill this development well to a depth of 2270'. This well will test the productivity of the fruitland formation. If the well is unproductive, it will be plugged and abandoned as per state requirements. Bond coverage for this well is provided by State Bond NO. 2478.



²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature *Arthur D. Archibeque*
Printed Name Arthur D. Archibeque
Title Eng. Assistant
Date 9/13/01 Telephone 325-4397

OIL CONSERVATION DIVISION

Approved By: *[Signature]*
Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3
Approval Date: SEP 17 2001 Expiration Date: SEP 17 2002
Conditions of Approval:
Attached 1

HOLD C104 FOR NSL

District I
PO Box 1930, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-30832		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 28043	*Property Name NEW MEXICO STATE 32		*Well Number 3
*OGRID No. 131994	*Operator Name FOUR STAR OIL & GAS COMPANY		*Elevation 5892'

¹⁰ Surface Location

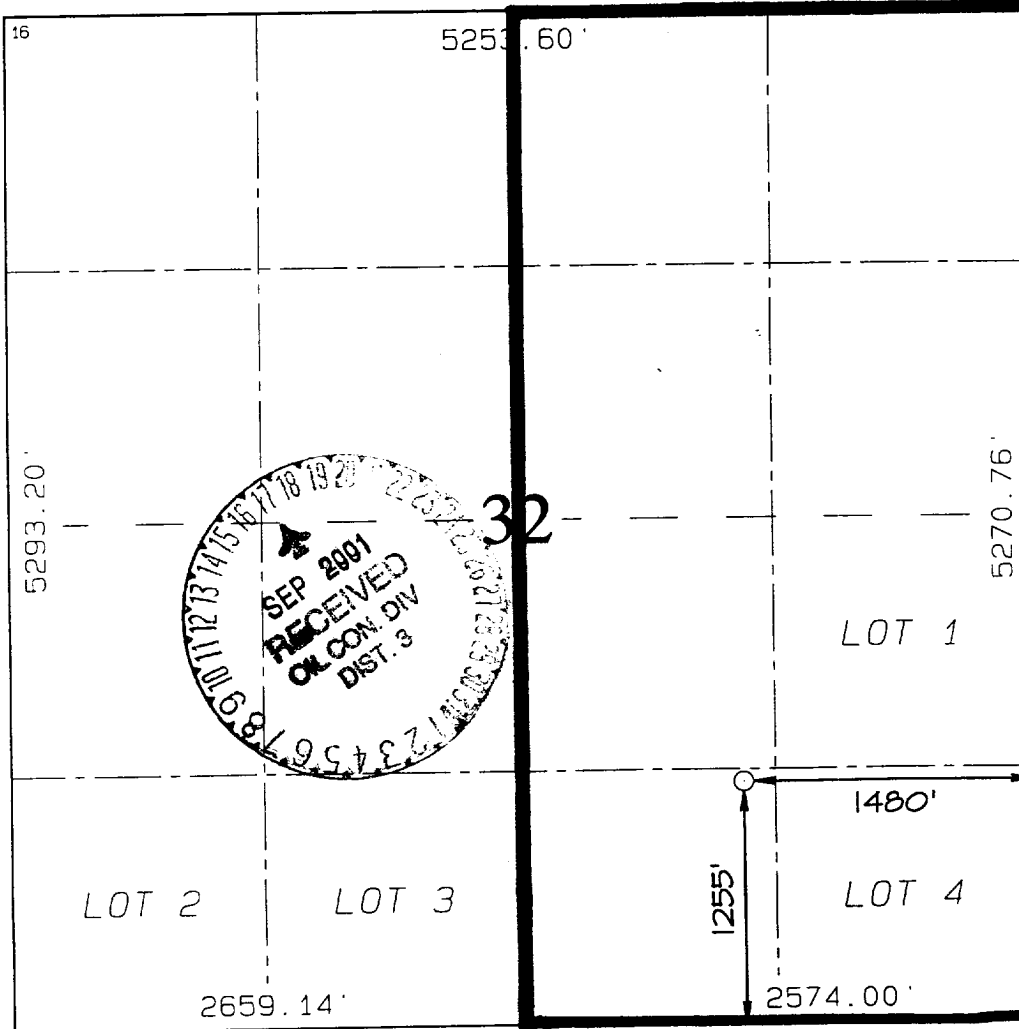
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	32	30N	11W		1255	SOUTH	1480	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320 EA	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Arthur D. Archibeque
Signature
Arthur D. Archibeque
Printed Name
Engineer Assistant
Title
9/12/01
Date

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Survey Date: **SEPTEMBER 3, 2001**

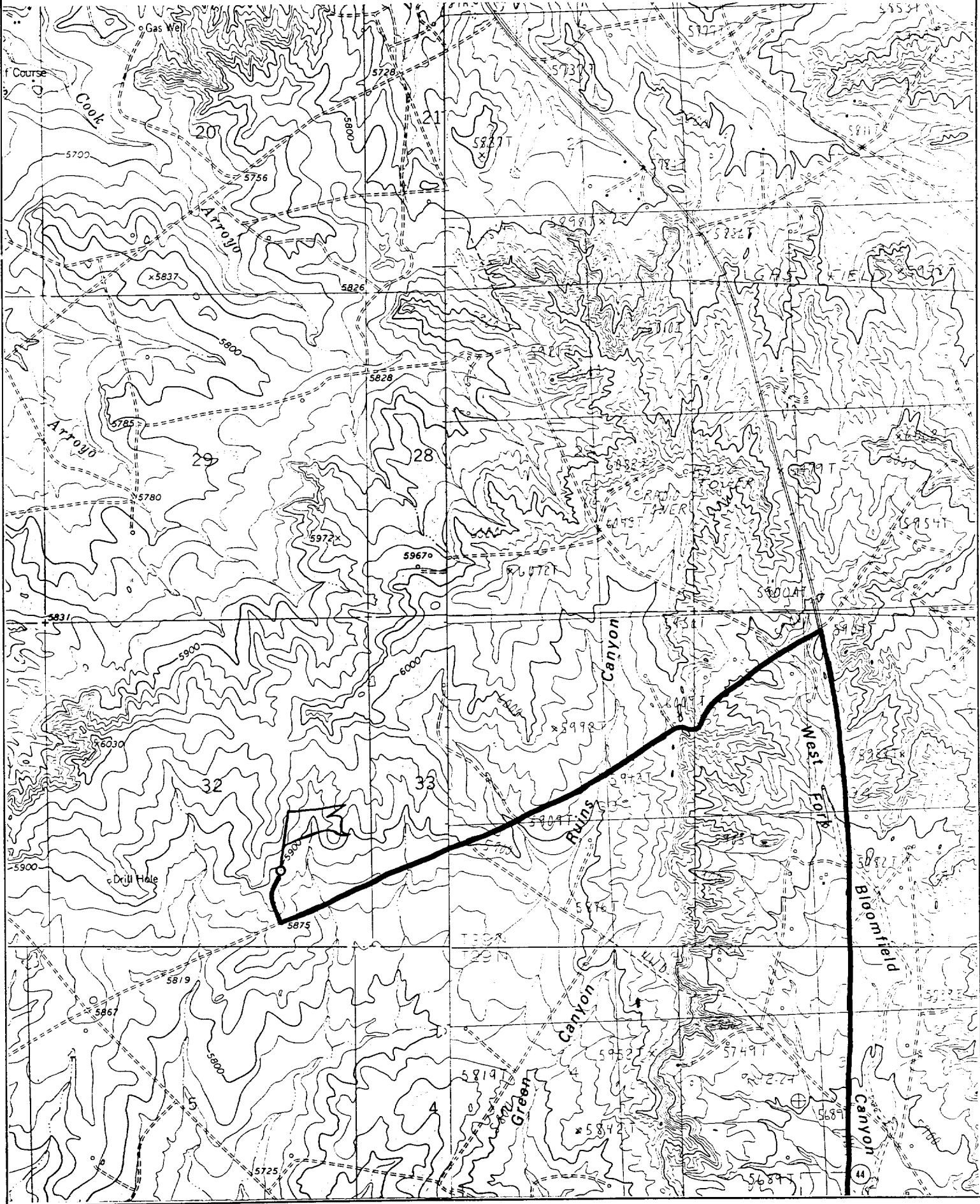
Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

FOUR STAR OIL & GAS COMPANY NEW MEXICO STATE 32 #3

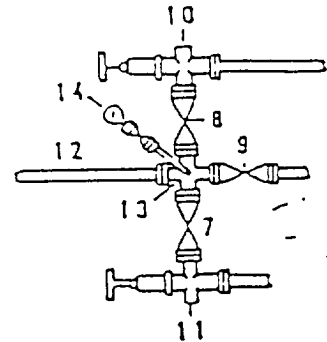
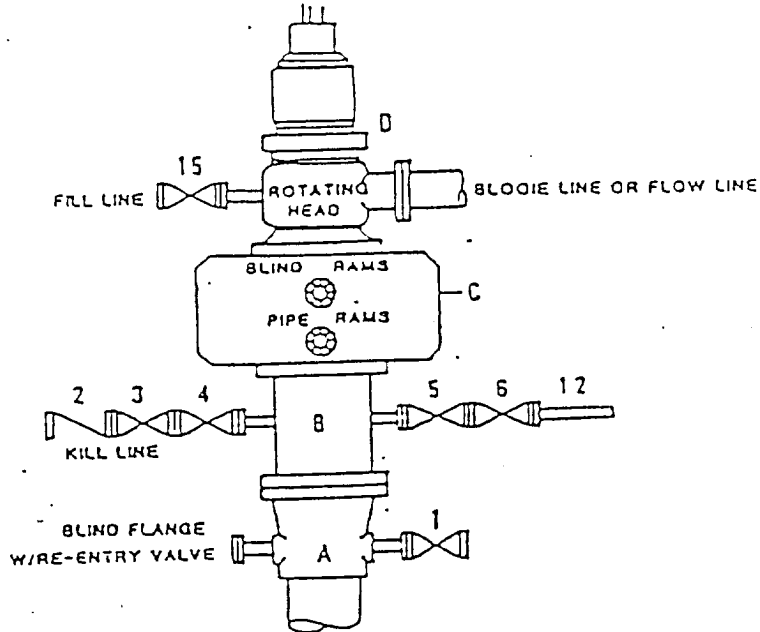
1255' FSL & 1480' FEL, SECTION 32, T30N, R11W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO



DRILLING CONTROL
 CONDITION II-B 3000 WP
 FOR AIR DRILLING OR
 WHERE NITROGEN OR AIR BLOWS ARE EXPECTED

H₂S TRIM REQUIRED
 YES _____ NO _____



DRILLING CONTROL

MATERIAL LIST - CONDITION II - B

- A Texaco Wellhead
- B 3000# W.P. drilling spool with a 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line.
- C 3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where sub-structure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized).
- D Rotating Head with fill up outlet and extended Bleed Line.
- 1,3,4, 7,8. 2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.
- 2 2" minimum 3000# W.P. back pressure valve.
- 5,6,9 3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.
- 12 3" minimum schedule 80, Grade "B", seamless line pipe.
- 11 2" minimum x 3" minimum 3000# W.P. flanged cross.
- 10,11 2" minimum 3000# W.P. adjustable choke bodies.
- 14 Caceron Mud Gauge or equivalent (location optional in choke line).
- 15 2" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton Lo Torc Plug valve.