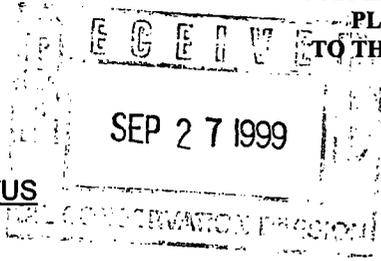


1249  
Date 06/99

District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO THE SANTA FE  
OFFICE



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address FOUR STAR OIL & GAS 3300 BUTLER AVE. STE.100 FARMINGTON, NM 87401							OGRID Number 131994		
Contact Party RACHED HINDI-SENIOR ENGINEER <i>ADP x.26</i>							Phone 325-4397 <i>x.15</i>		
Property Name MEXICO FEDERAL M					Well Number1 2		API Number 3004529583		
UL L	Section 12	Township T31N	Range R13W	Feet From The 1740'	North/South Line SOUTH	Feet From The 990'	East/West Line WEST	County SAN JUAN	

II. Date/Time Information

Spud Date 7/28/99	Spud Time 6:00AM	Date Completed 8-4-99	Pool FRUITLAND COAL
----------------------	---------------------	--------------------------	------------------------

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of New Mexico )  
County of San Juan ) ss.  
Rached Hindi being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Rached Hindi Title Senior Engineer Date 9/24/99

SUBSCRIBED AND SWORN TO before me this 24 day of Sept, 1999.

Jana Julius  
Notary Public

My Commission expires: Aug 2nd 2003

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Kelly</u>	Title <u>P.E. Sec.</u>	Date <u>10-1-99</u>
--------------------------------	---------------------------	------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: OCT 4 1999

NOTICE: The operator must notify all working interest owners of this New Well certification.

*PV2V2006632017*

**DISTRICT I**

P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**

P.O. Box Drawer DD, Artesia, NM 88210

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	3004529583
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease	NM 048376A
7. Lease Name or Unit Agreement Name	MEXICO FEDERAL M
8. Well No.	2
9. Pool Name or Wildcat	BASIN FRUITLAND COAL 71629

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name MEXICO FEDERAL M
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RES. <input type="checkbox"/> OTHER _____	

2. Name of Operator FOUR STAR OIL AND GAS COMPANY	8. Well No. 2
--	------------------

3. Address of Operator 3300 N. Butler Ave, Ste100 Farmington NM 87401	9. Pool Name or Wildcat BASIN FRUITLAND COAL 71629
--	---

4. Well Location  
 Unit Letter L : 1740' Feet From The SOUTH Line and 990' Feet From The WEST Line  
 Section 12 Township T31N Range R13W NMPM SAN JUAN COUNTY

10. Date Spudded 07/28/1999	11. Date T.D. Reached 07/31/1999	12. Date Compl. (Ready to Prod.) 08/04/1999	13. Elevations (DF & RKB, RT, GR, etc.) 5770'	14. Elev. Csghead
--------------------------------	-------------------------------------	--	--	-------------------

15. Total Depth 2150'	16. Plug Back T.D. 2116'	17. If Mult. Compl. How Many Zones? N/A	18. Intervals Drilled By ROTARY	Rotary Tools ROTARY	Cable Tools
--------------------------	-----------------------------	--	------------------------------------	------------------------	-------------

19. Producing Interval(s), of this completion - Top, Bottom, Name 1806'-2051' FRUITLAND COAL	20. Was Directional Survey Made YES
---	--

21. Type Electric and Other Logs Run INDUCTION GAMMA RAY, DENSITY COMPENSATED NEUTRON, PERFORATING DEPTH CONTROLL	22. Was Well Cored NO
--	--------------------------

**23. CASING RECORD (Report all Strings set in well)**

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
8-5/8"	24#	350'	12-1/4"	210 SX	
5-1/2"	11.6#	2150'	7-7/8"	220 SX	

**24. LINER RECORD**      **25. TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	2150'	

26. Perforation record (interval, size, and number) 1806'-2019' 4 spf 180 holes	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
	DEPTH INTERVAL      AMOUNT AND KIND MATERIAL USED
	1806'-2019'      1000gal. 10% formic acid, 225000# 20/40 Brady
	sand, 121,573 gal. #25&20 Delta 140/sand
	wedge frac fluid

**28. PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping - size and type pump) FLOWING	Well Status (Prod. or Shut-in) SHUT IN					
Date of Test 09/14/1999	Hours tested 24	Choke Size 1/4	Prod'n For Test Period	Oil - Bbl. 0	Gas - MCF 115	Water - Bbl. 50	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure 360	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 115	Water - Bbl. 50	Oil Gravity - API -(Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) VENTED	Test Witnessed By RICK GIBSON
--	----------------------------------

**30. List Attachments**

31. I hereby certify that the information on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNATURE Rached Hindi TITLE Senior Engineer DATE 09/24/1999

TYPE OR PRINT NAME Rached Hindi Telephone No. 325-4397

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or retest in a different reservoir.  
Use "APPLICATION FOR PERMIT --" for such proposals

5. Lease Designation and Serial No.  
NM 048376A

6. If Indian, Alottee or Tribe Name

7. If Unit or CA, Agreement Designation

070 FARMINGTON, NM

1. Type of Well:  OIL WELL  GAS WELL  OTHER COAL-BED METHANE

8. Well Name and Number  
MEXICO FEDERAL M  
2

2. Name of Operator  
FOUR STAR OIL AND GAS COMPANY

3. Address and Telephone No.  
3300 N. Butler Ave, Ste100 Farmington NM 87401 325-4397

9. API Well No.  
3004529583

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Unit Letter L : 1740' Feet From The SOUTH Line and 990' Feet From The  
WEST Line Section 12 Township T31N Range R13W

10. Field and Pool, Exploratory Area  
BASIN FRUITLAND COAL 71629

11. County or Parish, State  
SAN JUAN, NM

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> OTHER: <u>CEMENTING CASING</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

FOUR STAR OIL & GAS CEMENTED AND TESTED THE CASING ON THE SUBJECT WELL. THE CASING WAS CEMENTED AT 8-1-99 AT 2:45 AM.

SPUD DATE-7/28/99 DRILL 12.25" HOLE TO 190'. DRILL TO 354'. RUN 8 JOINTS 8-5/8" 24# STC-K55. 7/29/99 PUMP 240 SACKS G TYPE CEMENT. CIRCULATE 10 BBLs. 7/30/99 CUT OFF CASING, WELD ON HEAD. DRILL CEMENT FROM 354' TO 581'. 7/31/99 DRILL FROM 581' TO 2150' TD. 8/1/99 RUN 53 JOINTS 5.5" 15.50# LT&C ,K55. INSERT SHOE SET AT 2116.62'. PUMP 345 SACKS CEMENT. CIRCULATE 40 BBLs. CEMENTING WITNESSED BY MARK KELLY-BLM

FARMINGTON AREA			
ARD	APR 18/20	JMY	
RH	J 8/31	IJB	
LNS	/	RDW	
ADA	/	RRH	
AUG 30 1999			
SBB		BCB	
MFR	/ 9/12	JLS	
BAC		GAB	
JEB		FILE	/
RNC		RETURN TO	

14. I hereby certify that the foregoing is true and correct  
SIGNATURE Rached Hindi TITLE Senior Engineer DATE 08/02/1999

TYPE OR PRINT NAME Rached Hindi

(This space for Federal or State office use)

APPROVED  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes 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.

**ACCEPTED FOR RECORD**

AUG 26 1999

**OPERATOR**

FARMINGTON FIELD OFFICE  
BY [Signature]

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980  
DISTRICT II  
P.O. Box Drawer DD, Artesia, NM 88211-0719  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-104  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator Name and Address FOUR STAR OIL AND GAS COMPANY 3300 N. Butler Ave, Ste100 Farmington NM 87401				<sup>2</sup> OGRID Number 131994	
				<sup>3</sup> Reason for Filing Code NW	
<sup>4</sup> API_NUM 3004529583		<sup>5</sup> Pool Name BASIN FRUITLAND COAL 71629			<sup>6</sup> Pool Code
<sup>7</sup> Property Code		<sup>8</sup> Property Name MEXICO FEDERAL M			<sup>9</sup> Well No. 2

II. <sup>10</sup> Surface Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
L	12	T31N	R13W		1740'	SOUTH	990'	WEST	SAN JUAN

<sup>11</sup> Bottom Hole Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code	<sup>14</sup> Gas Connection Date	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

III Oil and Gas Transporters

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> POD	<sup>21</sup> O/G	<sup>22</sup> POD ULSTR Location and Description
007057	EL PASO NATURAL GAS PO BOX 990 FARMINGTON, NM		G	L 12 T31N R13W

IV. Produced Water

<sup>23</sup> POD	<sup>24</sup> POD ULSTR Location and Description
-------------------	--

V. Well Completion Data

<sup>25</sup> Spud Date 07/28/1999	<sup>26</sup> Ready Date 09/06/1999	<sup>27</sup> Total Depth 2150'	<sup>28</sup> PBD 2116'	<sup>29</sup> Perforations 1806'-2019'
<sup>30</sup> HOLE SIZE	<sup>31</sup> CASING & TUBING SIZE	<sup>32</sup> DEPTH SET	<sup>33</sup> SACKS CEMENT	
12-1/4"	8-5/8"	350'	210 SX	
7-7/8"	5-1/2"	2150'	220 SX	
	2 7/8"			

VI. Well Test Data

<sup>34</sup> Date New Oil	<sup>35</sup> Gas Delivery Date	<sup>36</sup> Date of Test 09/14/1999	<sup>37</sup> Length of Test 24hrs	<sup>38</sup> Tubing Pressure 0	<sup>39</sup> Casing Pressure 360
<sup>40</sup> Choke Size 1/4"	<sup>41</sup> Oil - Bbls. 0	<sup>42</sup> Water - Bbls. 50	<sup>43</sup> Gas - MCF 115	<sup>44</sup> AOF	<sup>45</sup> Test Method F

<sup>46</sup> 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 *Rached Hindi*

Printed Name Rached Hindi

Title Senior Engineer

Date ~~07/19/99~~ 9/20/99 Telephone 325-4397

**OIL CONSERVATION DIVISION**

Approved By: \_\_\_\_\_

Title: \_\_\_\_\_

Approval Date: \_\_\_\_\_

<sup>47</sup> If this is a change of operator fill in the OGRID number and name of the previous operator			
Previous Operator Signature	Rached Hindi Printed Name	Senior Engineer Title	07/19/1999 Date

*well file*

Submit 3 copies to Appropriate District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240  
**DISTRICT II**  
P.O. Box Drawer DD, Artesia, NM 88210  
**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 8741

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

99 AUG -4  
070 FARMINGTON

RECEIVED  
BLM

WELL API NO. 3004529583  
5. Indicate Type of Lease STATE  FEE   
6. State Oil/Gas Lease No. NM 048376A

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well: OIL WELL  GAS WELL  OTHER

2. Name of Operator FOUR STAR OIL AND GAS COMPANY

3. Address of Operator 3300 N. Butler Ave, Ste100 Farmington NM 87401

4. Well Location  
Unit Letter L : 1740' Feet From The SOUTH Line and 990' Feet From The WEST Line  
Section 12 Township T31N Range R13W NMPM SAN JUAN COUNTY

7. Lease Name or Unit Agreement Name MEXICO FEDERAL M

8. Well No. 2

9. Pool Name or Wildcat BASIN FRUITLAND COAL 71829

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 5770'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATIONS <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

FOUR STAR OIL & GAS STARTED DRILLING OPERATIONS ON THE SUBJECT WELL. THE SPUD DATE WAS 7/28/99. 6:00 AM

*Phone call to Alan R. Davis,  
(505) 325-4397 ext. 20,  
on 8/5/99 - requested the  
land reports sent to BLM.*

**MINERAL RESOURCES**

ADM 1 md  
NATV AM MIN COORD \_\_\_\_\_  
SOLID MIN TEAM \_\_\_\_\_  
PETRO TEAM 2  
O & G TEAM \_\_\_\_\_  
ALL TEAM LEADERS \_\_\_\_\_  
LAND RESOURCES \_\_\_\_\_  
ENVIRONMENT \_\_\_\_\_  
FILES \_\_\_\_\_

**FARMINGTON AREA**

ARD	JMY
RH	LJB
LNS	RDW
ADA	BRH

**AUG - 9 1999**

SBB	BCB
MPK	JLS
BAC	GAB
JEB	FILE
RNC	RETURN TO

SIGNATURE Rached Hindi TITLE Senior Engineer DATE 7/30/99  
TYPE OR PRINT NAME Rached Hindi Phone No. 325-4397

**ACCEPTED FOR RECORD**

**AUG 05 1999**

**FARMINGTON FIELD OFFICE**  
BY [Signature]

*Operator Copy*

(This space for State Use)

MEXICO FEDERAL M #2  
 SAN JUAN COUNTY, NEW MEXICO  
 DRILLING/COMPLETION WELL COST ESTIMATE

	%W.I.	DATE REC'D	<u>APPROVED</u>	
			YES	NO
Four Star Oil & Gas Co.	62.5	-----	62.5	
Dugan Production Corp.	37.5	06-22-99	37.5	
<b>TOTAL</b>	<b>100</b>		<b>100</b>	