

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

2145

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Chevron North America OGRID #: _____
Address: 15 Smith Road, Midland, TX 79705
Facility or well name: Gilbreath #2
API Number: 30-045-32479-34235 OCD Permit Number: _____
U/L or Qtr/Qtr I Section 28 Township 30N Range 12W County: San Juan
Center of Proposed Design: Latitude 36.77984312 Longitude -108.098222 NAD: ☒ 1927 ☐ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

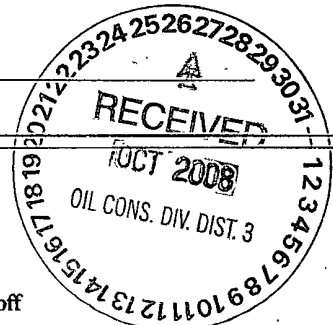
2.
☒ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness 12 mil ☐ LLDPE ☒ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☒ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L x W x D

No Steel Pit Marker required due to Closure
Completion before 6/16/2008

3.
☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4.
☐ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: _____ bbl Type of fluid: _____
Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

5.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.



6.
Fencing: Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)

- ☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)
- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

7.
Netting: Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

- ☐ Screen ☐ Netting ☐ Other _____
- ☐ Monthly inspections (If netting or screening is not physically feasible)

8.
Signs: Subsection C of 19.15.17.11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☐ Signed in compliance with 19.15.3.103 NMAC

9.
Administrative Approvals and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

- ☐ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10.
Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (*Applies to temporary, emergency, or cavitation pits and below-grade tanks*)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

☐ NA

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (*Applies to permanent pits*)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

☐ NA

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

11.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14.

Proposed Closure: 19.15.17.13 NMAC**Instructions:** Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System
☐ Alternative
 Proposed Closure Method: ☐ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)*Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.*

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?☐ Yes (If yes, please provide the information below) ☐ No*Required for impacted areas which will not be used for future service and operations:*☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC*Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.*

Ground water is less than 50 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Ground water is between 50 and 100 feet below the bottom of the buried waste

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Ground water is more than 100 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

18.

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

Email Address: _____ Telephone: _____

20.

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Jonathan D. Kelly Approval Date: 2/13/2012

Title: Compliance Officer OCD Permit Number: _____

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Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: 6/02/2008

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Closure Method:

☐ Waste Excavation and Removal ☒ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain.

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Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☒ No

Required for impacted areas which will not be used for future service and operations:

- ☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

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Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure)
☒ Plot Plan (for on-site closures and temporary pits)
☐ Confirmation Sampling Analytical Results (if applicable)
☒ Waste Material Sampling Analytical Results (required for on-site closure)
☐ Disposal Facility name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☐ Site-Reclamation (Photo Documentation)

On-site Closure Location: Latitude: _____ Longitude: _____ NAD: ☐ 1927 ☐ 1983

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Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Shawn Davis Title: Waste & Water Specialist

Signature: Shawn Davis Date: 10/21/08

e-mail address: sd.kf@chevron.com Telephone: (281) 561-4977

PLOT PLAN

Field Report BGT/Pit Closure Verification

PAGE NO: _____ OF _____	ENVIROTECH INC ENVIRONMENTAL SCIENTISTS & ENGINEERS 5796 U.S. HIGHWAY 64 - 3014 FARMINGTON, NEW MEXICO 87401 PHONE: (505) 632-0615	ENVIRONMENTAL SPECIALIST: <u>ENH</u> LAT: <u>36° 46.545'</u> LONG: <u>-108° 6.006'</u>
DATE STARTED: <u>6/17/08</u>		
DATE FINISHED: _____		

FIELD REPORT: BGT / PIT CLOSURE VERIFICATION

LOCATION: NAME: <u>GIL BREATH</u>	WELL #: <u>2</u>	TEMP PIT: <u>X</u>	PERMANENT PIT: _____	BGT: _____
LEGAL ADD: UNIT: <u>I</u>	SEC: <u>28</u>	TWP: <u>30N</u>	RNG: <u>12 W</u>	PM: <u>NM</u>
QTR/FOOTAGE: <u>1125' FSL</u>	<u>1135' FEL</u>	CNTY: <u>SAN JOAN</u>	ST: <u>NEW Mexico</u>	

EXCAVATION APPROX: _____	FT. <u>X</u>	FT. <u>X</u>	FT. DEEP _____	CUBIC YARDAGE: _____
DISPOSAL FACILITY: _____	REMEDATION METHOD: _____			
LAND OWNER: _____	API: _____	BGT / PIT VOLUME: _____		
CONSTRUCTION MATERIAL: _____	DOUBLE-WALLED, WITH LEAK DETECTION: _____			

LOCATION APPROXIMATELY: _____	<u>40</u> FT.	<u>70'</u>	FROM WELLHEAD
DEPTH TO GROUNDWATER: <u>~90'</u>			

☒ **TEMPORARY PIT - GROUNDWATER 50-100 FEET DEEP**

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 500 mg/kg

TEMPORARY PIT - GROUNDWATER ≥ 100 FEET DEEP

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 1000 mg/kg

PERMANENT PIT OR BGT

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, TPH (418.1) ≤ 100 mg/kg, CHLORIDES ≤ 250 mg/kg

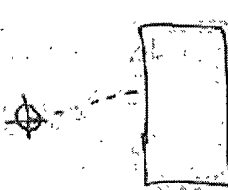
FIELD 418.1 ANALYSIS

TIME	SAMPLE I.D.	LAB NO.	WEIGHT (g)	mL-FREON	DILUTION	READING	CALC. (mg/kg)
	200 STD						
		1					
		2					
		3					
		4					
		5					
		6					

PERIMETER

FIELD CHLORIDES RESULTS

PROFILE

	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th>SAMPLE ID</th><th>READING</th><th>CALC. (mg/kg)</th></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>	SAMPLE ID	READING	CALC. (mg/kg)																						<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th colspan="2">PID RESULTS</th></tr> <tr> <th>SAMPLE ID</th> <th>RESULTS (mg/kg)</th> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </table>	PID RESULTS		SAMPLE ID	RESULTS (mg/kg)												
SAMPLE ID	READING	CALC. (mg/kg)																																								
PID RESULTS																																										
SAMPLE ID	RESULTS (mg/kg)																																									

LAB SAMPLES

NOTES:

SAMPLE ID	ANALYSIS	RESULTS
DRILL PIT	BENZENE	0.026
	BTEX	0.248
	GRO & DRO	835
	CHLORIDES	198
	418.1	121.000

WORKORDER # _____

WHO ORDERED _____

WASTE MATERIAL SAMPLING ANALYTICAL RESULTS

Laboratory Analytical Results

ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Client:	Chevron	Project #:	92270-0013
Sample ID:	Gilbreath #2	Date Reported:	07-18-08
Laboratory Number:	46384	Date Sampled:	07-09-08
Chain of Custody No:	4786	Date Received:	07-14-08
Sample Matrix:	Soil	Date Extracted:	07-16-08
Preservative:	Cool	Date Analyzed:	07-17-08
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	26.2	0.2
Diesel Range (C10 - C28)	286	0.1
Total Petroleum Hydrocarbons	312	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Gilbreath #2, Composite Samples.**

Analyst

Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	07-17-08 QA/QC	Date Reported:	07-18-08
Laboratory Number:	46319	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-17-08
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept. Range
Gasoline Range C5 - C10	05-07-07	9.9739E+002	9.9779E+002	0.04%	0 - 15%
Diesel Range C10 - C28	05-07-07	1.0044E+003	1.0048E+003	0.04%	0 - 15%

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	ND	ND	0.0%	0 - 30%
Diesel Range C10 - C28	ND	ND	0.0%	0 - 30%

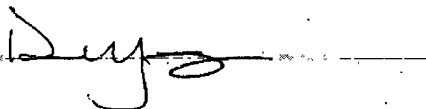
Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	ND	250	247	98.8%	75 - 125%
Diesel Range C10 - C28	ND	250	252	101%	75 - 125%

ND - Parameter not detected at the stated detection limit.

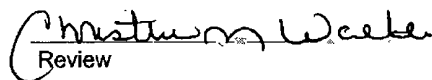
References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 46319 - 46322, 46363, 46364 - 46367, and 46384.

Analyst



Review



ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Chevron	Project #:	962270-0013
Sample ID:	Gilbreath #2	Date Reported:	07-18-08
Laboratory Number:	46384	Date Sampled:	07-09-08
Chain of Custody:	4786	Date Received:	07-14-08
Sample Matrix:	Soil	Date Analyzed:	07-17-08
Preservative:	Cool	Date Extracted:	07-16-08
Condition:	Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	0.9
Toluene	201	1.0
Ethylbenzene	35.9	1.0
p,m-Xylene	159	1.2
o-Xylene	76.1	0.9
Total BTEX	472	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	98.0 %
	1,4-difluorobenzene	98.0 %
	Bromochlorobenzene	98.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Gilbreath #2, Composite Samples.

Analyst

Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	07-17-BT QA/QC	Date Reported:	07-18-08
Laboratory Number:	46319	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-17-08
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	I-Cal RF	C-Cal RF	%Diff	Blank Conc	Detect Limit
		Accept Range 0 - 15%			
Benzene	1.3842E+007	1.3869E+007	0.2%	ND	0.1
Toluene	9.4050E+006	9.4238E+006	0.2%	ND	0.1
Ethylbenzene	6.9090E+006	6.9229E+006	0.2%	ND	0.1
p,m-Xylene	1.7340E+007	1.7374E+007	0.2%	ND	0.1
o-Xylene	6.6179E+006	6.6312E+006	0.2%	ND	0.1

Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff	Accept Range	Detect Limit
Benzene	ND	ND	0.0%	0 - 30%	0.9
Toluene	5.1	4.9	3.9%	0 - 30%	1.0
Ethylbenzene	3.3	3.4	3.0%	0 - 30%	1.0
p,m-Xylene	29.3	29.2	0.3%	0 - 30%	1.2
o-Xylene	7.5	7.3	2.7%	0 - 30%	0.9

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	ND	50.0	49.4	98.8%	39 - 150
Toluene	5.1	50.0	54.5	98.9%	46 - 148
Ethylbenzene	3.3	50.0	52.6	98.7%	32 - 160
p,m-Xylene	29.3	100	129	99.5%	46 - 148
o-Xylene	7.5	50.0	56.6	98.4%	46 - 148

ND - Parameter not detected at the stated detection limit.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 46319 - 46322, 46361, 46364 - 46367, and 46384.

Analyst

Review

Client:	Chevron	Project #:	92270-0013
Sample ID:	Gilbreath #2	Date Reported:	07-18-08
Laboratory Number:	46384	Date Sampled:	07-09-08
Chain of Custody No:	4786	Date Received:	07-14-08
Sample Matrix:	Soil	Date Extracted:	07-17-08
Preservative:	Cool	Date Analyzed:	07-17-08
Condition:	Intact	Analysis Needed:	TPH-418.1

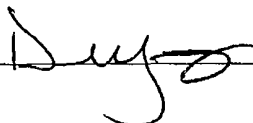
Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Total Petroleum Hydrocarbons	721	5.0

ND = Parameter not detected at the stated detection limit.

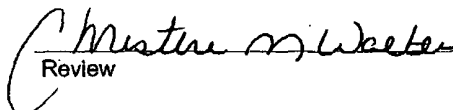
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: Gilbreath #2 Composite Samples.

Analyst



Review



ENVIROTECH LABS

PRAGMATIC SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS QUALITY ASSURANCE REPORT

Client:	QA/QC	Project #:	N/A
Sample ID:	QA/QC	Date Reported:	07-15-08
Laboratory Number:	07-15-TPH.QA/QC 46228	Date Sampled:	N/A
Sample Matrix:	Freon-113	Date Analyzed:	07-15-08
Preservative:	N/A	Date Extracted:	07-15-08
Condition:	N/A	Analysis Needed:	TPH

Calibration	I-Cal Date	C-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept. Range
	07-02-08	07-15-08	1,440	1,330	7.6%	+/- 10%

Blank Conc. (mg/Kg)	Concentration	Detection Limit
TPH	ND	5.0

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
TPH	5,090	4,890	3.9%	+/- 30%

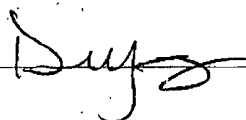
Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
TPH	5,090	2,000	8,060	114%	80 - 120%

ND = Parameter not detected at the stated detection limit.

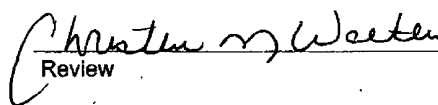
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 46391, 46417 and 46384.

Analyst



Review



ENVIROTECH LABS

Practical Solutions For A Better Tomorrow

Chloride

Client:	Chevron	Project #:	92270-0013
Sample ID:	Gilbreath #2	Date Reported:	07-21-08
Lab ID#:	46384	Date Sampled:	07-09-08
Sample Matrix:	Soil	Date Received:	07-14-08
Preservative:	Cool	Date Analyzed:	07-17-08
Condition:	Intact	Chain of Custody:	4786

Parameter	Concentration (mg/Kg)
-----------	-----------------------

Total Chloride

267

Reference: Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Gilbreath #2 Composite Samples.

Analyst

Review

CHAIN OF CUSTODY RECORD

4786

Client: Chevron		Project Name / Location: Oil Breath #2		ANALYSIS / PARAMETERS															
Client Address:		Sampler Name: TJL		TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CL-				Sample Cool	Sample Intact	
Client Phone No.:		Client No.: 92270-0013																	
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative													
						H ₂ O ₂	HNO ₃												
GILBRETH #2	7/1/08	0945	46384	soil	2-4oz														
Relinquished by: (Signature) <i>Jose Rijo</i>						Date 7/1/08		Time 11:34		Received by: (Signature) <i>Kendall Augusti</i>						Date 7/1/08		Time 11:34	
Relinquished by: (Signature)										Received by: (Signature)									
Relinquished by: (Signature)										Received by: (Signature)									

ENVIROTECH INC.

5796 U.S. Highway 64 • Farmington, New Mexico 87401 • (505) 632-0615

COMPOSITE SAMPLES

SOIL BACKFILLING AND COVER INSTALLATION

Backfill and Cover Installation (Gilbreath #2):

Drill pit was backfilled with material obtained from onsite that was stockpiled to construct the temporary pit. The area was capped with native soil from onsite and reseeded in accordance with the reseeding plan attached.

RE-VEGETATION APPLICATION RATES AND SEEDING TECHNIQUE

**Crossfire Seeding Typical Right of
Way/Location Reclamation**

**Crossfire Seeding
Typical Right of Way/Location Reclamation**

- I. Walk Through
 - Discussion of site specific BMP's
- II. Soil Preparation
 - Rip all areas of compaction where necessary and possible
 - Disc ROW twice to prepare seedbed and to reduce the berm left over the pipe to minimize water channeling
- III. Seeding
 - Drill specified seed mix at required rate on all areas where possible
 - Broadcast or hydroseed area that are too steep for drill seeding (When seed is broadcast or hydroseed, the seed rate is doubled)
- IV. Mulching
 - Certified Weed Free Straw is applied at a minimum of 2 tons per acre
 - Straw is mechanically crimped into soil in all areas where terrain permits
 - Straw is tacked in place where it cannot be crimped using 200 lbs of plantago based tackifier per acre. Tackifier is applied using a hydroseeder
 - Hydromulch is used on areas where straw is impractical. When hydromulching, the seed is either applied by broadcasting or hydraulically using a hydroseeder then mulch is applied using 2500-3500 lbs/acre of 100% thermally refined wood mulch and 200lbs of a Plantago based tackifier per acre.
- V. Erosion Control Blankets
 - Seed is applied using a hydroseeder, broadcast and harrowed or raked prior to blanket installation
 - SR2 or equivalent double netted excelsior or straw blankets are installed to manufacture specifications and site specific BMP's
 - Blankets are maintained and/or replaced as necessary
- VI. Wattles
 - 9" excelsior wattles are installed where directed by site specific BMP's
 - Wattles are maintained and/or replaced as necessary

Shawn Davis
Environmental Specialist
Chevron USA
11111 S Wilcrest
Houston, TX 77099

Project No.92270-0281.

Phone: (281) 561-4977
Cell: (713) 822-4162

October 16, 2008

Mr. Brandon Powell
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Phone: (505) 334-6178 ext. 15

**RE: SAMPLING AND CLOSURE OF A DRILL PIT LOCATED AT THE GILBREATH #2 WELL
SITE, SAN JUAN COUNTY, NEW MEXICO**

Dear Mr. Powell,

Envirotech has completed sampling of a drill pit located at the Gilbreath #2 well site, San Juan County, New Mexico. Closure was completed by a third party. Attached to this letter are the field analysis and the C-144 pit closure documentation.

Closure of this drill pit has followed the recently approved "Pit Rules" with the exception of prior approval of the closure plan, due to this process beginning prior to the new rule being in place.

A sample was collected of the material inside the drill pit, and analyzed for DRO/GRO fraction via USEPA Method 8015, TPH via USEPA Method 418.1, Benzene and BTEX via USEPA Method 8021, and Chlorides at Envirotech's Laboratory.

The sample collected was below the New Mexico Regulatory Standards for a temporary pit greater than 100 feet from groundwater, of less than .2 ppm benzene, 50 ppm Benzene, Toluene, Ethylbenzene, and Xylene (BTEX), 500 ppm DRO/GRO fraction, 2500 ppm Total Petroleum Hydrocarbons (TPH), and 1000 ppm Chlorides.

Attached to this document are the Plot Plan, Waste Material Sampling results, Backfill and cover plan, the Re-vegetation Application Rates and Seeding Technique. Chevron has purchased the land for the well site and is currently the surface landowner.

Based on the results from the sampling at the Gilbreath #2 well site, Chevron has completed closures as per current regulations. Chevron would like to request a no further action determination be given for this drill pit. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Shawn Davis

Shawn Davis
Chevron North America
Exploration & Production Company

Enclosures: C-144
Field Notes
Laboratory Analytical Results
Soil Backfilling & Cover Installation
Re-vegetation Application Rates and Seeding Technique

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003
WELL API NO. 30-045-34235		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
State Oil & Gas Lease No.		7 Lease Name or Unit Agreement Name RCVD JUN 20 '08 OIL CONS. DIV. DIST. 3 Gilbreath (303528 Property Code)
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 _____ b. Type of Completion NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF WELL OVER BACK RESVR <input type="checkbox"/> OTHER		8 Well No 2 RCVD FEB 2 '12
2 Name of Operator Four Star Oil & Gas Co (131994)		9 Pool name or Wildcat OIL CONS. DIV.
3 Address of Operator 15 Smith Road Midland, Texas 79705 (c/o Alan W. Bohling, Room 4205)		Basin Fruitland Coal (Gas) (71629) DIST. 3
4 Well Location Unit Letter <u>O</u> <u>195</u> Feet From The <u>North</u> Line and <u>1505</u> Feet From The <u>East</u> Line Section <u>28</u> Township <u>30-N</u> Range <u>12-W</u> NMPM San Juan County		
10 Date Spudded 04/30/2008	11 Date T D Reached 05/06/2008	12 Date Compl. (Ready to Prod) 06/02/2008
13 Elevations (DF& RKB, RT, GR, etc) 5531' GR		14 Elev Casinghead
15 Total Depth 2170' (MD) 1923' (TVD)	16 Plug Back T.D 2127' (MD) 1887' (TVD)	17 If Multiple Compl. How Many Zones? RR 5/8/08
18 Intervals Drilled By 0'-2170'		19 Producing Interval(s), of this completion - Top, Bottom, Name 1464'-1819', Fruitland Coal
20 Was Directional Survey Made Yes		21 Type Electric and Other Logs Run Caliper, CFT, HRCPD-MD, HRCPD-TVD, CBL
22 Was Well Cored No		23. CASING RECORD (Report all strings set in well)
CASING SIZE 9-5/8" 7"	WEIGHT LB/FT. 36# J-55 23# N-80	DEPTH SET 202' 2170' MD 1923' TVD
HOLE SIZE 12-1/4" 8-3/4"	CEMENTING RECORD 130sx CIR 332sx CIR TOC @ 0' CIR	AMOUNT PULLED 0' 0'
24. LINER RECORD		
SIZE TOP BOTTOM	SACKS CEMENT SCREEN	25. TUBING RECORD SIZE 2-3/8" DEPTH SET EOT @ 1896' MD PACKER SET
26 Perforation record (interval, size, and number) 1464'-1618' (Total 42 42" Holes) 1785'-1819' (Total 204 42" Holes)		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 1464' - 1618' 1785' - 1819' AMOUNT AND KIND MATERIAL USED Frac w/49.2M g Fluid & 63.7M # 20/40 Ottawa Frac w/94.4M g Fluid & 118.7M# 16/30 Ottawa		
28 PRODUCTION		
Date First Production Ready to Produce	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 2"x1-1/2"x12' RWAC Pump	Well Status (Prod. or Shut-in) SI-Able to turn to sales upon approval of C-104
Date of Test	Hours Tested	Choke Size
Prod'n For Test Period	Oil - Bbl	Gas - MCF
Water - Bbl	Gas - Oil Ratio	Flow Tubing Press
Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl
Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr)
29 Disposition of Gas (Sold, used for fuel, vented, etc) Will be sold upon production start		
30 List Attachments C-103 Completion Report w/attachments to include Wellbore Diagram, Well Logs, C-104 w/Directional Survey C-102 Plat "As Drilled"		
31 I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature <u>Alan W. Bohling</u> E-mail Address <u>ABohling@chevron.com</u>		Printed Name <u>Alan W. Bohling</u> Title <u>Regulatory Agent</u> Date: <u>06/18/2008</u>

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo 919'MD 881'TVD	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland- 981'MD 931'TVD	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs_1831'MD 1641'TVD	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T. Fruitland 1427'MD 1299'TVD
T. Blinebry	T. Gr. Wash	T. Morrison	T. Fruitland Coal_1508'MD 1368'TVD
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

(When additional sheet is necessary)

From	To	Thickness In Feet	Lithology



OIL & GAS COMPANY

FOUR STAR OIL & GAS COMPANY

GILBREATH #2

LEASE #FEE

API #30-045-32479

1125' FSL & 1175' FEL

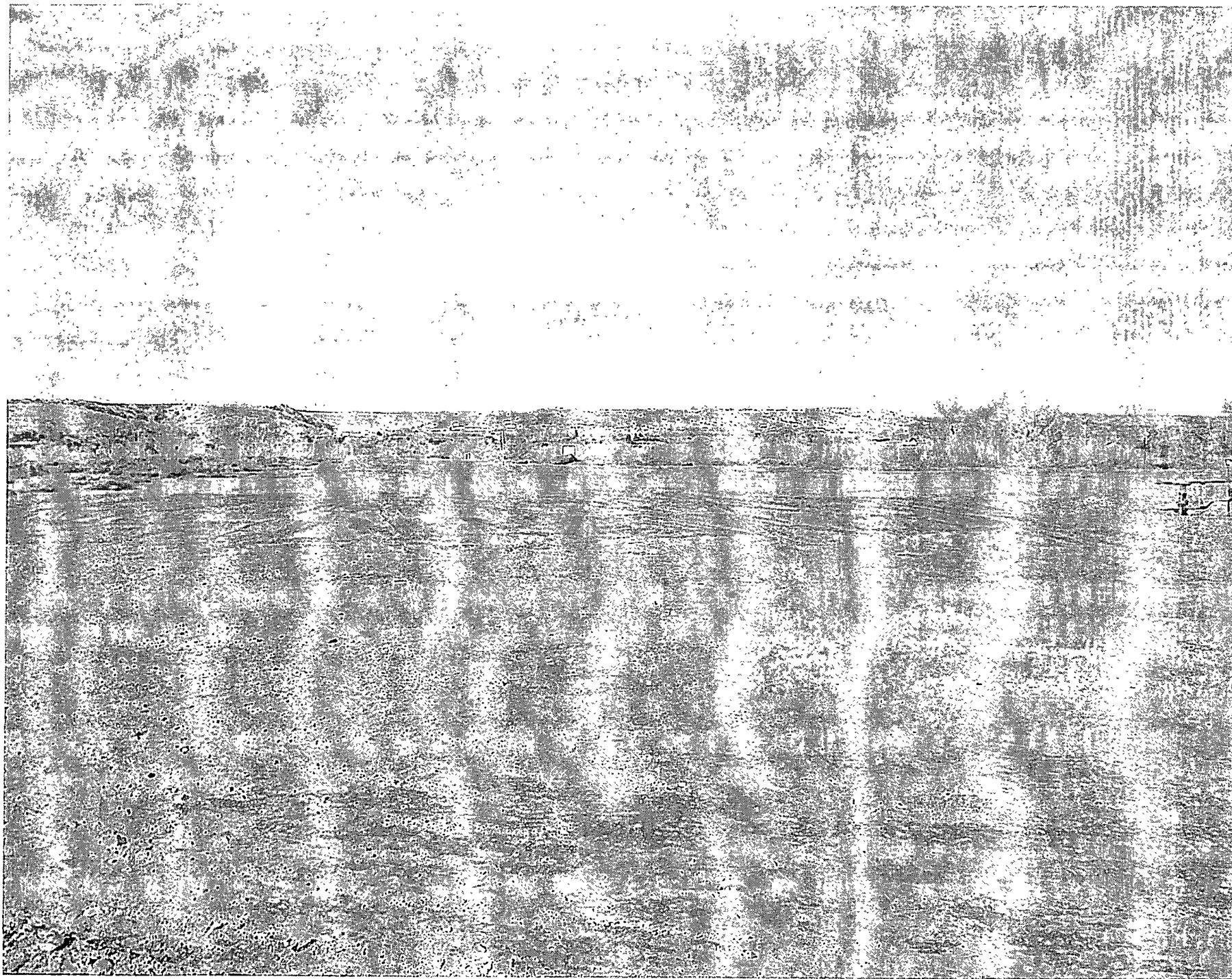
NE/SE SEC.-28, TWN-30N, RNG-12W

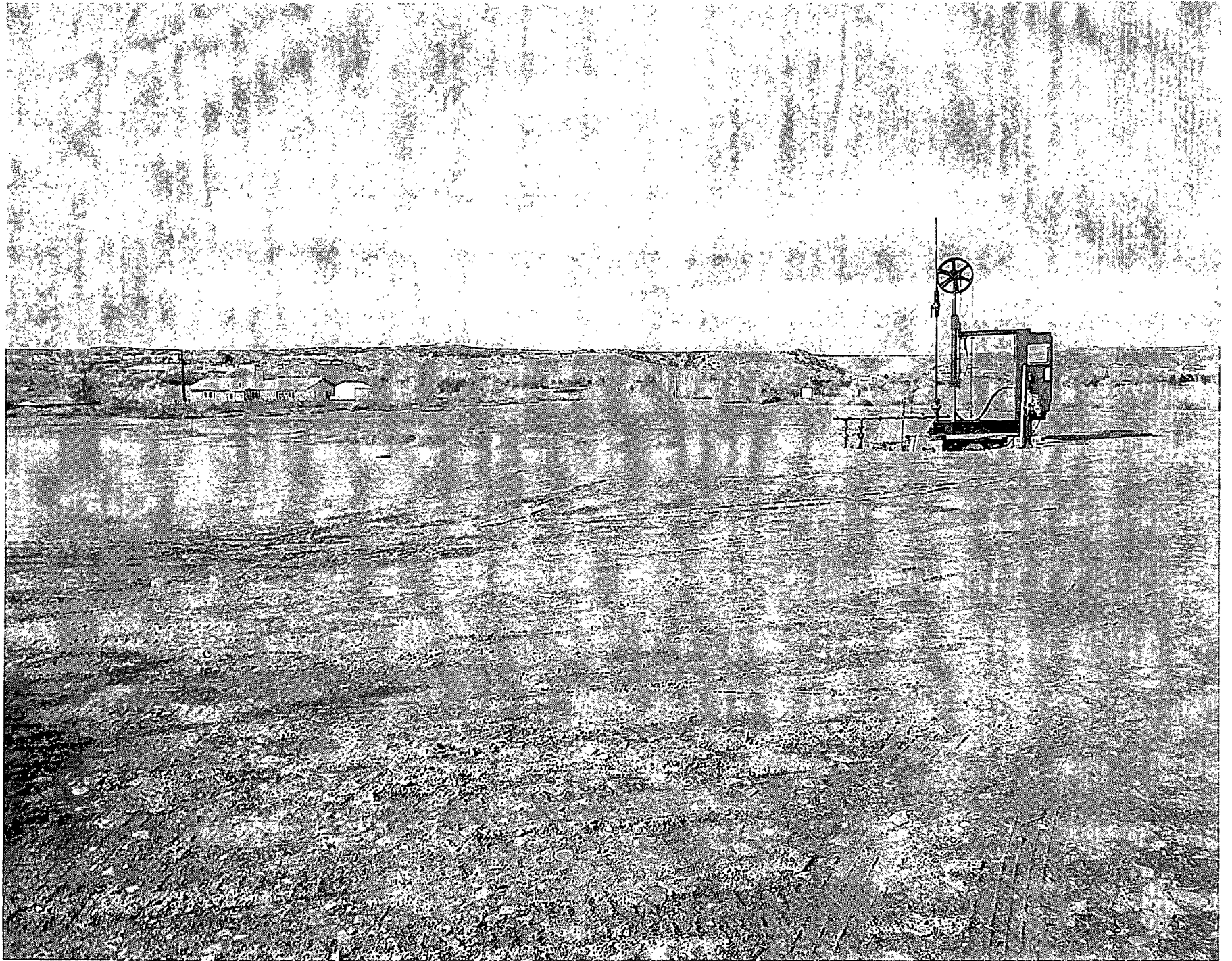
LAT. 36.777326 ° LONG. -108.099274 °

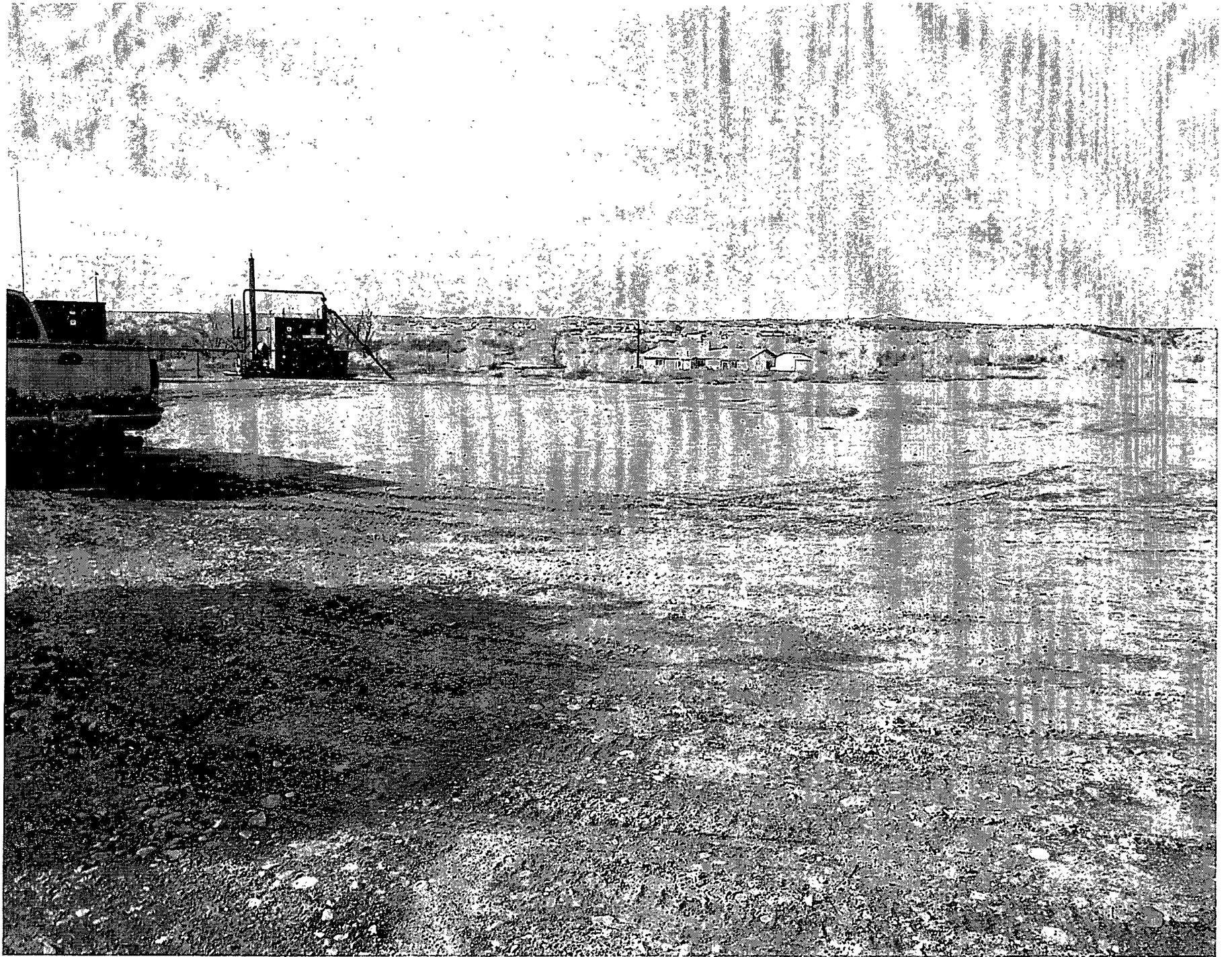
SAN JUAN CO., NEW MEXICO

IN CASE OF EMERGENCY CALL 1-800-916-7897









Form 102

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-045-34235		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 303528	Property Name Gilbreath		Well Number 2
OGRID No. 131994	Operator Name Four Star Oil & Gas Company		Elevation 5531'

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
O	28	30-N	12-W		195	South	1505	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
O	28	30-N	12-W		1041	South	1514	East	San Juan

12 Dedicated Acres 320 (S/2)	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------------	--------------------	-----------------------	--------------

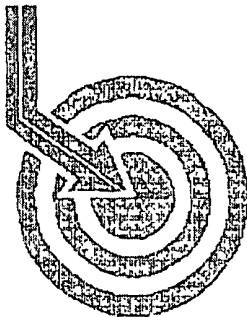
RCVD JUN 20 '08

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.

OIL CONS. DIV.
DIST. 3

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or holds a mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Alan W. Bohling</i> June 18, 2008 Signature Date Alan W. Bohling - Regulatory Agent Printed Name
"This Plat As Drilled"				
Producing Area (660')				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. November 19, 2006 Date of Survey Signature and Seal of Professional Surveyor John A. Vukonich 14831 Certificate Number
BHL 1041' FSL 1514' FEL				

B



Scientific Drilling

CHEVRON

Field: Gilbreath
Site: San Juan County, NM
Well: Gilbreath #2
Wellpath: DH - Job #32D0408073
Survey: 04/30/08-05/06/08

RCVD JUN 20 '08

OIL CONS. DIV.

DIST. 3

This survey is correct to the best of my knowledge
and is supported by actual field data.

[Signature] Company Representative

Notorized this date 13th of June, 2008.

[Signature]
Notary Signature
County of Midland
State of Texas





Scientific Drilling International Survey Report

Company: CHEVRON Date: 06/13/2008 Time: 10:40:00 Page: 1
Field: Gilbreath Co-ordinate(NE) Reference: Site: San Juan County, NM, Grid North
Site: San Juan County, NM Vertical (TVD) Reference: SITE 0.0
Well: Gilbreath #2 Section (VS) Reference: Well (0.00N/0.00E, 0.01Az)
Wellpath: DH - Job #32D0408073 Survey Calculation Method: Minimum Curvature Db: Sybase

Survey: 04/30/03-05/06/08 Start Date: 04/30/2008
E-field 0'-2120'
Company: Scientific Drilling Internatio Engineer: Gillespie/Vesta/Richey/Blosse
Tool: E-Field, E-Field Steering Tied-to: From Surface

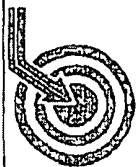
MD	Incl	Azim	TVD	VS	N/S	E/W	D/S	C/S D	C/S A
ft	deg	deg	ft	ft	ft	ft	deg/100ft	ft	deg
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
208.00	1.27	146.33	205.98	-1.90	-1.90	1.27	0.62	2.28	146.33
237.00	0.98	154.03	236.98	-2.42	-2.42	1.57	1.05	2.89	147.03
268.00	0.75	54.59	267.97	-2.54	-2.55	1.85	4.28	3.15	143.83
299.00	1.69	13.59	298.97	-1.98	-1.98	2.13	3.98	2.91	133.00
330.00	2.74	359.03	329.94	-0.80	-0.80	2.22	3.82	2.36	109.78
361.00	4.26	358.85	360.89	1.09	1.09	2.15	4.92	2.41	63.01
392.00	5.26	353.01	391.78	3.65	3.65	1.91	3.38	4.12	27.60
423.00	6.52	355.00	422.61	6.82	6.82	1.58	4.12	7.00	13.07
453.00	8.07	357.00	452.37	10.62	10.62	1.32	5.23	10.70	7.11
484.00	9.68	357.72	483.00	15.39	15.39	1.11	5.21	15.43	4.11
515.00	11.26	358.56	513.48	21.02	21.02	0.93	5.12	21.04	2.52
546.00	13.11	358.54	543.78	27.57	27.56	0.78	5.97	27.58	1.58
577.00	14.75	358.94	573.87	35.03	35.03	0.60	5.30	35.03	0.98
608.00	16.73	359.31	603.71	43.43	43.43	0.47	6.40	43.44	0.62
639.00	18.62	359.45	633.24	52.84	52.84	0.37	6.10	52.85	0.40
670.00	20.45	359.58	662.45	63.21	63.21	0.28	5.90	63.21	0.26
701.00	22.74	359.82	691.28	74.62	74.62	0.23	7.39	74.62	0.17
732.00	25.00	359.78	719.62	87.16	87.16	0.18	7.29	87.16	0.12
763.00	26.68	359.02	747.52	100.67	100.67	0.04	5.52	100.67	0.02
794.00	29.40	359.47	774.88	115.24	115.24	-0.15	8.80	115.24	359.92
825.00	30.63	359.00	801.72	130.75	130.75	-0.36	4.04	130.75	359.84
856.00	32.75	359.31	828.10	147.03	147.03	-0.80	8.86	147.03	359.77
887.00	33.54	359.15	854.06	163.98	163.98	-0.83	2.58	163.98	359.71
917.00	34.36	359.67	878.94	180.73	180.73	-1.00	2.90	180.73	359.68
948.00	35.21	0.36	904.40	198.42	198.42	-0.99	3.02	198.42	359.71
997.00	35.04	0.38	944.48	226.61	226.61	-0.81	0.35	226.61	359.79
1042.00	35.64	0.79	981.19	252.64	252.64	-0.55	1.43	252.64	359.88
1087.00	34.92	0.54	1017.92	278.62	278.62	-0.24	1.63	278.62	359.95
1132.00	34.92	0.75	1054.82	304.38	304.38	0.05	0.27	304.38	0.01
1177.00	34.50	0.44	1091.81	330.00	330.00	0.31	1.01	330.00	0.05
1222.00	34.09	0.14	1128.99	355.36	355.36	0.44	0.99	355.36	0.07
1287.00	34.14	0.19	1166.24	380.60	380.60	0.51	0.13	380.60	0.08
1312.00	33.84	0.07	1203.56	405.75	405.75	0.57	0.68	405.76	0.08
1356.00	33.42	359.32	1240.19	430.12	430.12	0.44	1.34	430.12	0.06
1401.00	33.25	359.22	1277.79	454.85	454.85	0.13	0.40	454.85	0.02
1446.00	32.47	359.28	1315.59	479.26	479.26	-0.19	1.73	479.26	359.98
1491.00	32.55	359.79	1353.54	503.45	503.45	-0.39	0.63	503.45	359.96
1538.00	31.40	358.98	1391.71	527.28	527.28	-0.54	2.73	527.28	359.93
1581.00	31.34	359.12	1430.13	550.70	550.70	-1.03	0.21	550.70	359.89
1628.00	32.48	359.46	1468.33	574.48	574.48	-1.32	2.58	574.48	359.87
1671.00	32.92	358.69	1506.20	598.79	598.79	-1.72	1.35	598.79	359.84
1716.00	33.34	358.22	1543.88	623.37	623.37	-2.38	1.09	623.38	359.78
1761.00	32.21	358.14	1581.72	647.72	647.72	-3.15	2.51	647.73	359.72
1806.00	32.31	357.34	1619.77	671.72	671.72	-4.10	0.97	671.73	359.65
1851.00	32.97	357.47	1657.66	695.97	695.97	-5.20	1.47	695.99	359.57
1896.00	33.81	358.27	1695.24	720.71	720.71	-6.12	2.11	720.74	359.51
1940.00	34.13	358.23	1731.73	745.29	745.29	-6.87	0.73	745.32	359.47
1985.00	34.63	358.76	1768.87	770.69	770.69	-7.54	1.29	770.73	359.44



Scientific Drilling International Survey Report

Company: CHEVRON Date: 06/13/2008 Time: 10:40:00 Page: 2
Field: Gilbreath Co-ordinate(NE) Reference: Site: San Juan County, NM, Grid North
Site: San Juan County, NM Vertical (TVD) Reference: SITE 0.0
Well: Gilbreath #2 Section (VS) Reference: Well (0.00N, 0.00E, 0.01Azi)
Wellpath: DH Job #32D0408073 Survey Calculation Method: Minimum Curvature Db: Sybase

Survey									
MD	Incl	Azim	TVD	VS	NS	E/V	DLS	ClsD	ClsA
ft	deg	deg	ft	ft	ft	ft	deg/100ft	ft	deg
2030.00	34.14	358.34	1806.00	796.09	796.10	-8.18	1.21	796.14	359.41
2075.00	33.65	358.41	1843.35	821.18	821.18	-8.89	1.09	821.23	359.38
2120.00	33.53	358.96	1880.84	846.07	846.07	-9.46	0.73	846.12	359.36



Scientific
Drilling

Field: Gilbreath
Site: San Juan County, NM
Well: Gilbreath #2
Wellpath: DH - Job #32D0408073
Survey: 04/30/08-05/06/08

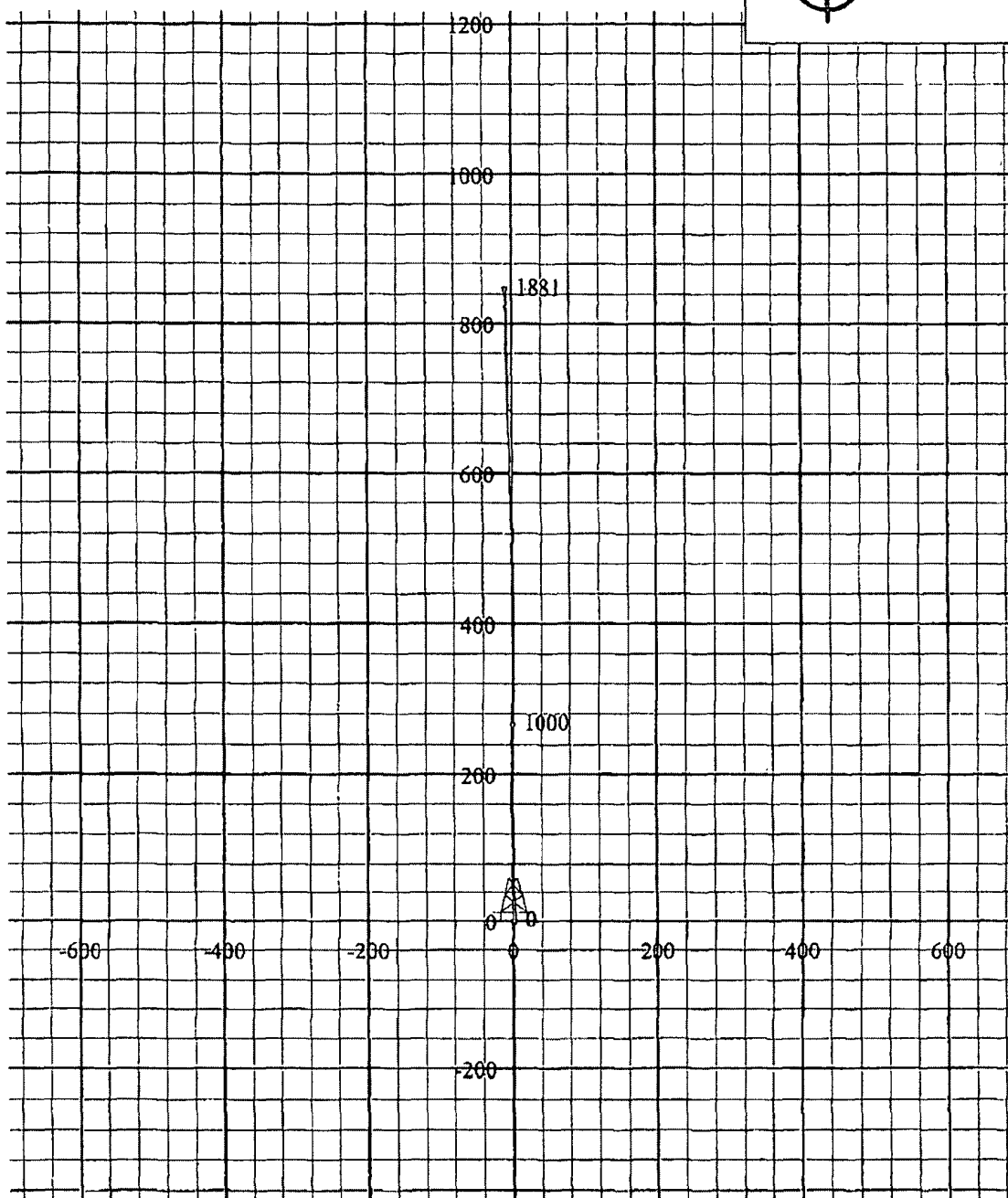
G/T/M



Azimuths to Grid North
True North: 0.00°
Magnetic North: 0.00°

Magnetic Field
Strength: 0nT
Dip Angle: 0.00°
Date: 06/13/2008
Model: igr2000

South(-)/North(+) [100ft/in]



West(-)/East(+) [100ft/in]

Retrieved From NMOCD

b Site on 06/24/2008. Approved on 06/20/08

. AWB.

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.

30-045-34235

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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 ☐ Gas Well ☒ Other

2. Name of Operator

Four Star Oil & Gas Company (131994)

3. Address of Operator

15 Smith Road, Midland, Texas 79705 (c/o Alan W. Bohling, Rm. 4205)

4. Well Location

Unit Letter O: 195 feet from the South line and 1505 feet from the East line
Section 28 Township 30-N Range 12-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5,531' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water: _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ Bbls Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐OTHER: AMENDED Csg/Cmt - Provide Add'l Information ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or re-completion.

Four Star Oil & Gas Company respectfully submits this Subsequent Report to correct and provide additional required information inadvertently left off of original Production Casing/Cement report.

05/06/2008 - TD 8-3/4" hole @ 2170' (MD), 1923' (TVD)

05/07/2008 - Ran 52 jts, 7", 23#, N-80 LTC casing and set @ 2170'. Pumped 84 Bbls (332 sx) of 50/50 poz cement at 13.1 PPG with 1.41 Yield. Drop top plug & displace w/ 84 bbls FW, bump plug w/ 500 psi over FCP & floats held-OK. Full returns throughout job with 10 Bbls (40 sx) of clean cement to surface.

05/08/2008 - RD cements, ND BOP & Stack. Cut Csg. RD Csg tools. Clean pits & RD operations.

RCVD JUN 20 '08
OIL CONS. DIV.

Release Rig @ 12:00 HRS on 05/08/2008.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 06/18/2008

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158

For State Use Only

APPROVED BY: H. Villanueva Deputy Oil & Gas Inspector, TITLE: District #3 DATE: JUN 20 2008
Conditions of Approval (if any):

Retrieved From NMOCD Web Site on 06/24/2008. Approved on 06/20/08. 8. AWB: Form C-103 May 27, 2004

Submit 3 Copies To Appropriate District Office
 District I 1625 N French Dr., Hobbs, NM 88240
 District II 1301 W Grand Ave., Artesia, NM 88210
 District III 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

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

WELL API NO.
 30-045-34235

5. Indicate Type of Lease
 STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Gilbreath (Prop. Code 303528)

8. Well Number #2

9. OGRID Number
 31994

10. Pool name or Wildcat
 Basin Fruitland Coal (71629)

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 ☐ Gas Well ☒ Other

2. Name of Operator
 Four Star Oil & Gas Company (131994)

3. Address of Operator
 15 Smith Road, Midland, Texas 79705 (c/o Alan W. Bohling, Rm. 4205)

4. Well Location
 Unit Letter O : 195 feet from the South line and 1505 feet from the East line
 Section 28 Township 30-N Range 12-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 5,531' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water: _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ Bbls Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐ OTHER: AMENDED Spud Notice-Provide Add'l Information ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or re-completion.

Four Star Oil & Gas Company respectfully submits this Subsequent Report to provide additional required information inadvertently left off of original Spud Notice.

RCVD JUN 20 '08
 OIL CONS. DIV.
 DIST. 3

Four Star Oil & Gas spud the above referenced well at 01:00 HRS on 4/30/2008.

4/30/2008 - TD 12-1/4" hole @ 212'. Ran 4 jts. 9-5/8", 36#, J-55 Csg & set @ 202' w/ 27 Bbls of premium class G cement at 15.6 PPG with 1.19 Yield. Full returns during job with 2 Bbls clean cement to surface.

5/01/2008 - Test casing to 1000 psi for 30 min with no test. Notified Henry Villanueva with NMOCD. Pumped 12 Bbls of class G cement at 15.6 PPG with 1.19 Yield. Pressured up and squeezed cement to 800 psi and bled back to 600 psi.

5/02/2008 - Tested casing to 1000 psi for 30 minutes - test was good. Verified test with Henry Villanueva with NMOCD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 06/18/2008

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158
 For State Use Only

Deputy Oil & Gas Inspector,
 District #3

APPROVED BY: H. Villanueva TITLE: _____ DATE: JUN 20 2008
 Conditions of Approval (if any):

26

Four Star Oil & Gas Company (131994)
15 Smith Road
Midland, Texas 79705

(c/o Alan W. Bohling, Room 4205)

C-104
131994

³ Reason for Filing Code/ Effective Date
NW

⁴ API Number
30 - 045-34235

⁵ Pool Name
Basin Fruitland Coal

⁶ Pool Code
71629

⁷ Property Code
303528

⁸ Property Name
Gilbreath

⁹ Well Number
2

II. 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
O	28	30-N	12-W		195	South	1505	East	San Juan

¹¹ 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
O	28	30-N	12-W		1041	South	1514	East	San Juan

¹² Lse Code
P

¹³ Producing Method
Code
P

¹⁴ Gas Connection
Date
ASAP

¹⁵ C-129 Permit Number

¹⁶ C-129 Effective Date

¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
151618	Enterprise Field Services LLC 614 Reilly Ave. Farmington, New Mexico 87401	G
		RCVD JUN 20 '08
		OIL CONS. DIV.
		DIST. 3

IV. Well Completion Data

²¹ Spud Date 04/30/2008	²² Ready Date 06/02/2008	²³ TD 2170' MD 1923' TVD	²⁴ PBT 2127' MD 1887' TVD	²⁵ Perforations 1464'-1819'	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
12-1/4"	9-5/8" 36# J-55	202'	130sx CIR		
8-3/4"	7" 23# N-80	2170' MD (1923' TVD)	332sx CIR		
	2-3/8" 4.7# J-55 TBG	1896'			

V. Well Test Data

³¹ Date New Oil	³² Gas Delivery Date (ASAP Upon Approval)	³³ Test Date	³⁴ Test Length	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
³⁷ Choke Size	³⁸ Oil	³⁹ Water	⁴⁰ Gas		⁴¹ Test Method

⁴² I hereby certify that the rules 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:

Alan W. Bohling

Printed name:

Alan W. Bohling

Title:

Regulatory Agent

6/20/08

OIL CONSERVATION DIVISION

Approved by:

Charles L. ... 6-23-2008

Title:

SUPERVISOR DISTRICT # 3

Approval Date:

JUN 23 2008

Form 103
Form C-103
May 27, 2004

Retrieved From NM Web Site on 06/24/2008. Approved on 06/2008. AWB.

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

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)		WELL API NO. 30-045-34235
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Four Star Oil & Gas Company (131994)		6. State Oil & Gas Lease No.
3. Address of Operator 15 Smith Road, Midland, Texas 79705 (c/o Alan W. Bohling, Rm. 4205)		7. Lease Name or Unit Agreement Name Gilbreath (Prop. Code 303528)
4. Well Location Unit Letter O : 195 feet from the South line and 1505 feet from the East line Section 28 Township 30-N Range 12-W NMPM San Juan County		8. Well Number #2
11. Elevation (Show whether DR, RKB, RT, GR, etc) 5,531' GR		9. OGRID Number 131994
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Basin Fruitland Coal (71629)
Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water:		
Pit Liner Thickness: mil Below-Grade Tanks: Volume Bbls Construction Material		

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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 OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Well Records-New Drill Well Completion <input checked="" type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or re-completion.

Four Star Oil & Gas Company respectfully submits this Subsequent Report for your approval for work done on this new drill well completion in the Basin Fruitland Coal per the following and/or attached Wellbore Diagram.

RCVD JUN 20 '08
OIL CONS. DIV.
DIST. 3

5/10/2008, ND WH NU FRAC WH & TEST CSG & STACK TO 5000#.

5/15/2008, RU ELU, WIH W/ GR, TAG BTM, POOH, WIH W/ CBL, CORRELATED-RAN CBL F/ 2121' TO 0', TOC HARD TO PICK BECAUSE OF POZ, (TOC=0' AS CIRC 40SX TO SURFACE), RD WLU, DID NOT MAKE PSI PASS ON CBL BECAUSE CASING HAD BEEN TESTED TO 5000# AREADY

5/21/2008, MIRU WLU RIH & PERF BASAL COAL F/ 1,785' TO 1,819' (TOTAL 204.42" HOLES)

5/22/2008, MIRU FRAC EQUIP PUMPED 1,500 GALS 15% HCL. FRAC'D W/ 94,433 GALS FRAC FLUID & 118,700# 16/30 OTTAWA SAND AT AN AVG. RATE OF 38.7 BPM & AN AVG WHITP OF 1,184 PSI. MIRU WLU RIH W/ 7" CBP & SET @ 1,700' PSI TESTED CBP TO 5,000 PSI TEST OK RIH & PERF UPPER FRUITLAND COAL F/ 1464' -1618' (TOTAL 42.42" HOLES). RDMO WLU PUMPED 1,000 GALS 15% HCL & BIO-BALL SEALERS. FRAC'D W/ 49,290 GALS FRAC FLUID & 63,700# 20/40 OTTAWA SAND.

5/23/2008-05/30/2008, ND FRAC STACK NU BOP RIH, CO & DO CBP'S, CO TO 2127' MD (1887' TVD) NEW PRTD SD FOAM UNIT RD POWER SWIVEL TOOH W/ TBG, BHA & LD SAME MIRU SL UNIT & RIH W/ TRACER LOG F/ 2,100' TO 1,000' RDMO SLU & LOGGING TOOLS TIH W/ NOTCHED COLLAR, STRING FLOAT & TBG TAGGED @ 2,127' MD (1887' TVD) NEW PRTD NO FILL

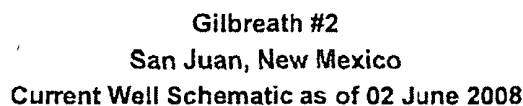
6/2/2008, TOOH & LD WS PU & TIH W/ MS, SAND SCREEN, SN ON 2-3/8" 4 7/8 TSG LANDED TBG W/ FOT @ 1,896', SN @ 1,851' RD EQUIP NU WH PU & RIH W/ 2" X 1 5/8" X 12 RWAC ROD PUMP & RODS, PSI TESTED TBG TO 500 PSI - OK STROKE PUMP OK RD MORIG

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 06/18/2008

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158
For State Use Only Deputy Oil & Gas Inspector,
District #3

APPROVED BY: H. Villanueva TITLE: DATE: JUN 20 2008
Conditions of Approval (if any):



Spud	4/30/08
Tbg Landed	6/2/08

PBTD = 2127'

TD = 2170'

Revised by: **Quang Truong**
Date: **6/2/2008**

Submit 3 Copies To Appropriate District

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Ave., Artesia, NM 88210
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1220 S. St. Francis Dr., Santa Fe, NM
87505

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

WELL API NO.

30-045-34235

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Gilbreath (Prop. Code 303528)

8. Well Number #2

9. OGRID Number

131994

10. Pool name or Wildcat

Basin Fruitland Coal (71629)

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 ☐ Gas Well ☒ Other

2. Name of Operator

Four Star Oil & Gas Company (131994)

3. Address of Operator

15 Smith Road, Midland, Texas 79705 (c/o Alan W. Bohling, Rm. 4205)

4. Well Location

Unit Letter O : 195 feet from the South line and 1505 feet from the East lineSection 28 Township 30-N Range 12-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5,531' GR

Pit or Below-grade Tank Application ☒ or Closure ☐ Install a 95 Bbl Pit Tank.Pit type Pit Tank Depth to Groundwater <100' Distance from nearest fresh water well >1000' Distance from nearest surface water: >1000'Pit Liner Thickness: mil Below-Grade Tank: Volume 95 Bbls Construction Material Steel

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: Install 95 Bbl Pit Tank and Necessary Facilities ☒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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or re-completion.

Four Star Oil & Gas Company respectfully requests permission for installation of surface production facilities which includes installing a 95 Bbl below-grade Pit Tank for blow down and/or excess produced water, dual flow lines and other necessary meter and/or separator equipment. Current plans are to initiate this surface facilities work within the next week. This work will all reside on the current pad, thus no "new disturbances" are anticipated. Attached is a standard diagram of the Pit Tank for your use and review.

RCVD APR 16 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 04/10/2008Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158

For State Use Only

APPROVED BY: Brook Rusk TITLE: Deputy Oil & Gas Inspector DATE: APR 28 2008
Conditions of Approval (if any): District #3

