

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. 30-039-22367
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E1207

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-104) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name Farming "E"
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		8. Well Number 1E
2. Name of Operator Four Star Oil & Gas Company		9. OGRID Number 131994
3. Address of Operator 11111 S. Wilcrest Houston, Texas 77099		10. Pool name or Wildcat Basin Dakota/Devil's Fork Gallup
4. Well Location Unit Letter <u>I</u> : <u>1800</u> feet from the <u>South</u> line and <u>930</u> feet from the <u>East</u> line Section <u>2</u> Township <u>24N</u> Range <u>6W</u> NMPM Rio Arriba County		
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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:		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: Subsurface Commingle <input checked="" type="checkbox"/>		OTHER: <input 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 recompletion.

Four Star Oil and Gas requests permission to subsurface commingle the referenced well.
To support the commingling Four Star submits the following:

- i) Commingling is allowed for the two referenced pools in Division Orders #11363
- ii) The pools to be commingled are the Basin (Dakota) and the Devils's Fork (Gallup)
- iii) The perforations are at 6807'-6753' (Dakota) and 5859'- 5643' (Gallup)
- iv) The production will be allocated utilizing the subtractive method. (The Gallup side has been shut-in for longer than 24 months. Due to the long length the subtractive method is being utilized.)
- v) The commingling will not reduce the value of the total remaining production.
- vi) Ownership is the same in both pools.

DHC 1965 A2

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 Kenneth W. Jackson TITLE Regulatory Specialist DATE 08-25-2005

Type or print name Kenneth W. Jackson

E-mail address: kewj@chevrontexaco.com

Telephone No. 281-561-4991

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. III DATE AUG 25 2005
Conditions of Approval (if any): Notifying State Land office prior to commingling