

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

OCT 2006

5. Lease Serial No.

I-149-IND-8465

6. If Indian, Allottee or Tribe Name

Eastern Navajo

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

Four Star Oil & Gas Company (131994)

3a. Address

11111 S. Wilcrest Houston, Texas 77099

3b. Phone No. (include area code)

432-687-7158

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

1700' FNL & 1750' FWL

SENW, Sec. 12, T-27-N, R-09-W 36.58224 N Lat., 107.74225 W. Long.

8. Well Name and No.

Charley Pah # 1

9. API Well No.

30-045-06679

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal/Blanco PC South

11. County or Parish, State

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Repair Found Casing
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Leak During
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Recompletion Work

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

During the process of conducting approved re-completion & DHC work (add Basin Fruitland Coal & DHC w/Blanco P.C. South--Approved 5/7/2005 w/1 Yr. Extension to 7/19/2007), Four Star Oil & Gas encountered an unexpected shallow casing leak. Four Star Oil & Gas now proposes to conduct remedial cement squeeze work to repair the casing leak & then proceed with original re-competition and DHC work.

As a result, it will be necessary to construct a workover pit for returns during cement squeeze operations. The proposed pit will be approximately 20'x30'x6' and will be constructed and lined with a 12 mil liner in accordance with BLM/NMOCD regulations.

The propose remedial casing repair work will consist generally of: RIH w/CBP & set inside 5-1/2" liner & dump sand on top. POH. PU 7" Full bore pkr., RIH & locate & isolate casing leak. POH w/tbg & pkr. RIH w/CIBP & set inside 7" csg above liner top. POH. PU & RIH w/tbg & pkr and set above top of csg leak. Check PIR. Cmt squeeze csg lk with cmt volumes determined by company & service personnel on location. WOC under pressure. Press test & POH w/tbg & pkr. DO & CO cmt to below csg lk. Test csg integrity. Re-squeeze as necessary. When csg lk is repaired, DO CIBP & retrieve or DO CBP & continue w/original approved re-completion & DHC procedures.

Verbal approval for these repair operations and pit construction were obtained from Mr. Wayne Townsend-BLM and Mr. Henry Villanueva-NMOCD on 10/02/2006. This intent NOI is per request and to aid in keeping well records complete and in compliance. This "emergency" remedial work will facilitate continuing with approved planned wellwork while maintaining this well's economic and environmental viability.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Alan W. Bohling

Title Regulatory Agent

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Signature

Alan W. Bohling

Date

10/04/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Pet. Eng.

Date

10/11/06

Office

FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

BLM CONDITIONS OF APPROVAL

WORKOVER AND RECOMPLETION OPERATIONS:

A properly functioning BOP and related equipment must be installed prior to commencing workover and/or recompletion operations.

SURFACE USE OPERATIONS:

The following Stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and operator a contradictory environmental stipulation. The failure of operator to comply with these requirements may result in assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on location during construction, drilling and reclamation activity.

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

STANDARD STIPULATIONS: All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

SPECIAL STIPULATIONS:

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