RCVD FEB28'07

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

	OM B No. 1004-0137 Expires: March 31, 200
5.	Lease Serial No.

If Indian Allottee or Tribe Name

I-149-IND-8465

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

n nidian, Another or	THOCHAINE	
Eastern Navajo	Allot	Ited

	III. USE I OIIII U IUU-U (A		503ai3. 11 1	3 Eastern Na	vajo Hllotted	
SUBMIT IN TRI	PLICATE- Other instr	uctions on revers	se side.	7. If Unit or CA	/Agreement, Name and/or No.	
1. Type of Well Oil Well	(7) F/2000 (100 to 100		8. Well Name and No.			
2. Name of Operator Four Star Oil & Gas Company (131994)				Charley Pah # 4 9. API Well No.		
3a Address 15 Smith Road Midland, Texas	3b. Phone No. (include area code) 432-687-7158		30-045-06636 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1750' FSL & 1400' FEL NWSE, Sec. 12, T-27-N, R-09-W 36.58719 N Lat., 107.73506 W. Long.				Basin Fruitland Coal/Blanco PC South 11. County or Parish, State San Juan County, New Mexico		
	PROPRIATE BOX(ES) TO			EPORT, OR O	THER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent ✓ Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Sta	water Shut-Off Well Integrity Other Summary of work		
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Abandon Temporar Plug Back Water Dis		andon	(w/csg lk rpr) from 01/07 - 02/08, 2007	
	ed Operation (clearly state all pertir ctionally or recomplete horizontall					

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.)

In conducting well work relating to previously approved Sundries to recomlete and DHC (DHC 1503AZ) the Basin Fruitland Coal (71629) and Blanco Pictured Cliffs (72359) Pools, Four Star Oil & Gas Company encountered a casing leak. This Sundry is prepared and sent to respond to BLM's request to summarize work done to-date in repair of this casing leak and provide a reference for any additional work options currently under review, and which will be presented to BLM under Sundry NOI, if changes are deemed necessary to continue with original approved DHC work.

Please find attached an 8 page Summary of Completion/Commingle Well Work from 1/08/2007 thru 2/07/2007 along with an updated wellbore schematic.

			,	
Title Regulatory Agent			Title Regulatory Agent	
Date		02/15/2007	**************************************	
RAL OR	STATE O	FFICE USE	ACCEPTED/TON MECON	
	Title		Date FEB 2 7 2007	
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.			FARMINGTON FIELD OFFICE BY 2017	
	Date RAL OR warrant or	Date RAL OR STATE OF Title warrant or	Date 02/15/2007 RAL OR STATE OFFICE USE Title warrant or	

(Instructions on page 2)

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FOUR STAR OIL & GAS COMPANY

Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

8-Jan-07

MOVE RIG AND EQUIP TO CHARLEY PAH # 4 AND RIG UP RIG. WILL RIG EQUIP IN AM

9-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION IN RED BOOK, JSA ON N/D TREE -N/U BOP'S, DISCUSS ICY LOC SLIPS TRIPS FALLS

HOOKUP FLOWBACK LINES TO WELL AND BLEED OFF PRESS

N/D WELLHEAD EQUIP WELL APPEARS TOHAV 1" PIPE INSTEAD OF 2 3/8",N/U BOPS AND TEST 2 3/8" PIPE RAMS TO 250 AND 1000#

P/U ON TBG DISCOVERED PIPE IN WELL TO BE 1", RELAND TBG, WAIT ON HANDLING TOOLS

CHANGE RAMS TO 1" AND RIG UP 1" HANDLING TOOLS

POOH AND LAY DOWN 92 JTS OF 1" X APPROX 20' JTS PIPE

CHANGE RAMS TO 2 3/8" AND RIG UP 2 3/8 HANDLING TOOLS

M/U 4 3/4 BIT, 5 1/2" SCRAPER AND BIT, GIH P/U 2 3/8 4.7 J-55 8RD TBG RAN 36 JTS , SECURE WELL FOR NIGHT

10-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION OUT OF RED BOOK, JSA ON P/U SWIVEL, ICY LOC, SLIPS TRIPS FALLS OPEN WELL GIH P/U 2 3/8" TBG W/ BIT AND SCRAPER TO 2056 TAG FILL

RIG UP POWER SWIVEL

EST CIRC WASH AND ROTATE FROM 2056' TO 2082' PM ,REC FRAC SAND,STARTED TORQUEING AND NOT MAKING ANY HOLE CIRC HOLE CLEAN

REMOVE SWIVEL POOH LAY DOWN SCRAPER

TIH W/4 3/4"BIT TO 2074'

PICKUP POWER SWIVEL, EST CIRC

GIH TAG AT 2082' DRILLTO 2091 PM STARTED REC RUBBER AND SAND, WELLCIRC CLEAN FOR 15 MIN

CIRC AND PUMPING SWEEPS REC FRAC SAND

REMOVE SWIVEL POOH W/ 23 STDS SECURE WELL FOR NIGHT

11-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION IN RED BOOK, JSA ON TRIPPING PIPE, DISCUSS ICY SLICK LOC, SLIPS, TRIPS AND FALLS

OPEN WELL FINISH POOH LAY DOWN BIT AND BIT SUB

M/U BAKER MODEL G BP AND RUNNING TOOL, TIH TO 1980'

SET RBP AT 1980' LOAD WELL W/ 2% KCL

ATTEMPT TO PRESS TEST 5 1/2" CSG UNABLE TO GET OVER 300# ON CSG

POOH W/ RUNNING TOOL

M/U BAKER TENSION PACKER TIH TO 1951'

TEST RBP TO 500# OK, PRESS UP ON BACKSIDE TO 500# BLED TO 0 PSI IN LESS THAN A MIN

UNSET PKR POOH HUNTING LEAK SET PKR AT 1338' W/ BRADEN HEAD VALVE OPEN KICK PUMP IN DOWN 5 1/2 GOT RETURNS OUT BRADEN HEAD VALVE, PRESS TEST DOWN TBG TO 500# HOLDING, HUNT LEAK SET PKR AT 672' ATTEMPT TO TEST BACKSIDE

 $\texttt{LEAKED} \ \texttt{ATTEMPT} \ \texttt{TEST} \ \texttt{DOWN} \ \texttt{TBG} \ \texttt{CIRC} \ , \ \texttt{SET} \ \texttt{PKR} \ \texttt{AT} \ \texttt{581} \text{'} \ \texttt{TEST} \ \texttt{BACKSIDE} \ \texttt{TO} \ \texttt{500\#} \ \texttt{OK}, \ \texttt{SLACK} \ \texttt{DOWN} \ \texttt{TO} \ \texttt{704} \text{'} \ \texttt{TEST} \ \texttt{DOWN} \ \texttt{TBG}$

TO 500# OK, NOTE: W/ PKR SET ABOVE CASING LEAK WELL WILL FLOW ON TBG.

POOH LAY DOWN PKR

M/U RBP RET TOOL TIH

LATCH RBP AND EQUALIZE SAME

FOUR STAR OIL & GAS COMPANY

Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

POOH W/ RBP LEAVE 9 STDS IN HOLE, DRAIN EVERYTHING AND SECURE WELL FOR NIGHT

12-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION OUT OF RED BOOK AND JSA ON PULLING TBG, MUDDY SLIPPERY LOC OPEN WELL NO PRESS POOH AND LAY DOWN RBP

 $SPOT\ SCHLUMBERGER,\ HOLD\ SAFETY\ MEETING\ ,\ RIG\ UP\ SCHLUMBER,\ M/U\ 5\ 1/2"\ COMPOSITE\ BP,\ INSTALL\ LUB\ GIH\ ATTEMPT\ TO$ $SET\ AT\ 735'\ DID\ NOT\ SET,\ POOH\ ,FLUID\ LEVEL\ AT\ 325',\ SECONDARY\ CHARGE\ DID\ NOT\ BURN$

WAIT ON SECOND PLUG

CHANGE OF PLANS RIG DOWN SCHLUMBERGER AND SECURE WELL FOR WEEKEND

NOTE BRANDON POWELLW/ STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES(ENVIRONMENTAL SPECIALIST) CME BY LOC TO CHECK EARTH PIT, SAID EVERYTHING WAS FINE

13-Jan-07

TRAVEL FROM KEY YARD TO LOCATION.

SAFETY MEETING, JSA, TIF ON RIH WITH WIRELINE AND LOG WELL.

MIRU SCHLUMBERGER WLU.

RIH WITH RIH W/ GR/CCL/RST LOG. LOG FROM 2,100' - 1,500'. POOH WITH RST TOOL. RIH WITH CEMENT BOND LOG TOOL.

RUN CEMENT BOND LOG FROM 2,100' TO SURFACE. POOH WITH LOGGING TOOL.

RDMO WLU.

SWI. SDF WEEKEND.

TRAVEL FROM LOCATION TO KEY YARD.

15-Jan-07

SAFETY MEETING: RED BOOK, DERRIK LADDER SAFETY, ALSO JSA ON WALKING SURFACES. FROZEN GROUND WITH LARGE RUTS, TRIPPING HAZARDS.

DISCUSSED WITH ALL PEOPLE, DECISSION WAS MADE TO SET CCB AT + 1300' AND PERFORATE SQUEESE HOLES AT 1190'-1192 WITH 2 SHOT/FT. WILL USE A CCR AT + 800' AND PUMP SUCIDE SQUEEZE FROM 1192' TO 700' (23 BBLS CEMENT) PICK UP TO + 700' AND REVERSE CIRCULATE CLEAN AND TOOH. TIH WITH 5-1/2" CCR AND SET AT + 450'. PUMP SECOND STATE FROM 700' TO SURFACE.

ORDERED OUT SCHLUMBGER CBP AND SQUEEZE GUNS. WAIT ON EQUIPMENT TO ARRIVE.

HELD SAFETY MEETING WITH ALL PEOPLE ON LOCATON. SPOTTED SCHLUMBERGER EQUIPMENT.

RUN IN HOLE WITH 5.25 CBP AND SET AT 1307'. POOH, PICKED US SQUEEZE GUN AND RIH, AND SHOT 4 SQUEEZE HOLE AT 2 SHOTS PER FOOT AT 1190'-1192'. POOH AND RD SCHLUMBERGER.

DRAIN UP EQUIPMENT AND SI WELL FOR NIGHT

16-Jan-07

SAFETY MEETING: KEY SAFETY MEETING AT KEY YARD. CREW AND CHEVRON WSM WAS NOT NOTIFIED UNTIL AM, THEREFORE WSM, COULD NOT GET BACK IN TIME.

SAFETY MEETING WITH KEY AND HALLIBURTON AT LOCATION. DISCUSSED RED BOOK, AND COLD WEATHER CONDITIONS. RUNNING CEMENT RETAINER.

ATTEMPTED TO OPEN BLIND RAMS AND CASING VALVES. ALL FROZEN. THAWED CASING VALVES AND OPENED TO FLOW BACK TANK. WELL FLOWING WATER SMALL ABOUT TO FLOW BACK TANK. THAWED RAMS ON BOP. WITH BLINDS OPEN SMALL AMOUNT OF WATER STILL FLOWING TO TANK.

PICK UP AND TIH WITH HALLIBURTON 5.25" COMPOSITE CEMENT RATAINER AND RIH TO 855 AND ATTEMPTED TO SET. WOULD NOT SET. MOVED TO 918' AND NOT ABLE TO SET. TRIED AGAIN AT 886' AND 823, BUT UNABLE. POOH AND INSPECTED SETTING TOOL. IT SHOWED APPROXIMATELY 5 TURNS IN SETTING TOOL, AND WE HAD PUT OVER 300 TURNS. TAKES 20 TO SET.

FOUR STAR OIL & GAS COMPANY Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well

API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

NOT ENOUGH DRAG ON SETTING TOOL DUE TO WORN CASING. WILL ATTEMPT ELECTRIC LINE SET IN THE AM. DRAINED UP EQUIPMENT. POURED DIESEL INTO WELL AND SHUT IN BINDS. EXPECTING DIESEL TO KEEP WELL HEAD AND BOP FROM FREEZING:

17-Jan-07

SAFETY MEETING WITH KEY, SCHLUMBERGER, AND HALLIBURTON. DISCUSSED RIGGING UP WIRE LINE AND SETTING COMPOSITE CEMENT RETAINER. DISCUSSED WALKING SURFACES AND NOT JUMPING OFF EQUIPMENT OR RUNNING. RED BOOK: RIG MOVE AND NOT HAVING BAILS ON THE FLOOR.

RU SCHLUMBERGER AND RIH AND SET HALLI BURTON COMPOSITE CEMENT RETAINER AT 860' ON WIRELINE. RD MOVE OFF SCHLUMBERGER.

TIH WITH TUBING AND STING INTO RETAINER.

TIF SAFETY MEETING, HALLIBURTON RIG UP JSA, STOP WORK AUTHORITY, AND EMERGENCY RESPONSE.

SPOTTED AND RU HALLIBURTON EQUIP. ESTABLISHED INJECTION RATE OF 2 BPM AT 530 PSI, PUMPED 71 SX (15 BBLS) CLASS G WITH 3/10% HALAD 9 CEMENT AT 2 BPM AT 150 PSI, FINAL PUMP RATE OF 1 BPM, DISPLACED CEMENT TO WITHIN 2.5 BBLS OF SQUEEZE HOLES. (TOC +- 1100') MAX PRESSURE 730 PSI. BEFORE STINGING OUT OF RETAINER ISIP WAS 500 PSI. NOTE: DURING JOB ANNULUS WAS CLOSED AND HAD RETURNS FROM SURFACE PIPE.

TOOH WITH TUBING AND RECOVED STINGER. NO SIGN OF CEMENT ON PIPE.

TIH WITH WITH HALLIBURTON 5.50" TENSION PKR AND SET AT 191'. TESTED PKR TO 250 PSI ON BACK SIDE AND LEAKED.

DECIDED TO DO A BRADEN HEAD SQUEEZE INSTEAD OF USING PKR.: UNSET PKR AND POOH WITH SAME.

RU TO BRADEN HEAD SQUEEZE. PUMPED 5 BW, FOLLOWED BY 10 BBLS OF DYED WATER 2 BPM AT 80 PSI. PUMPED 230 SX (46 BBLS) OF CLASS G NEAT WITH YIELD OF 1.18, AND WEIGHT 15.6#. STARTED CEMENT AT 2 BPM AT 130 PSI. WITH RETUNRS ON SURFACE PIPE. NOTE: WITH APPROXIMATELY 38 BBLS PUMPED LOST RETURNS. SLOWED RATE TO 1.5 BPM AT 300 PSI. PUMPED APPROXIMATELY 4 BBLS AND GOT 1/2 RETURNS; WENT TO FLUSH, PRESSURE WALKING UP TO 500 PSI. PUMPED 5.5 BBLS FLUSH, PRESSURING UP TO 500 PSI, SHUT DOWN, PRESSURE BLEED BACK TO

300 PSI. RETURNS HAD DYE. LOST RETURNS, PRESSURED UP TO 500 PSI, SHUT DOWN PUMP AND CLOSED WELL. CLEANED UP AND WINTERIZED EQUIPMENT. ESTIMATED TOP OF CEMENT AT 225'.

18-Jan-07

HELD TIF SAFETY MEETING CONCERNING: KEY JSA ON MOVING EQUIPMENT, SLIPS & TRIPPING HAZARDS, WORK SAFE PACE & TAKE BREAKS AS NEEDED IN COLD WEATHER, STOP WORK AUTHORITY;

WAITING ON CEMENT: WHILE WAITTING ON CEMENT THRAWED BOP STACK BUT DID NOT OPEN: HAVING TO MOVE EQUIPMENT TO MAKE ROOM FOR FRAC; MOVED FLOW BACK LINE & RIGGED DOWN RIG PUMP; TRUCK ARRIVED AT 0900 HELD SAFETY MEETING CONCERNING SPOTTERS, TRIPPING/ SLIPPING HAZARDS, AND WATCH GUIDE LINES; MOVED RIG PUMP, SPOTTED A M&R FRAC TANK TO MOVE WATER TO RELEASE KEY TANK, FOUND M&R FRAC TANK VALVES BAD, ORDERED REPLACEMENT; UNABLE TO MOVE WATER, HAD KEY TRUCK HAUL TWO LOADS OUT OF FLOW BACK TANK;

MOVED WEATHERFORD FOAM UNIT, CLOSING UNIT & RIG TOOL SKID; RAN PUMP LINES, RELEASED CREW AT 1400; SPOTTED 5TH KEY FRAC TANK FOR FRAC JOB; AT 1630 SPOTTED 80 BBL RIG TANK; OFF LOCATION AT 1715;

HELD TIF SAFETY MEETING CONCERNING READING SECTION 13.8 KICK DECTION FROM RED BOOK, KEY JSA ON PU DRILL COLLARS, WORK SAFE PACE ON FROZEN LOCATION, SLIPS, TRIPS & FALLS, TAKE BREAKS TO WARM UP WHEN NEEDED, AND STOP

THRAWING OUT BOP & LINES; OFF LOADED AND TALLIED 6 [3.125] DRILL COLLARS, BIT & BIT SUB REPAIRED RIG TANK PU 4 3/4" BIT, BIT SUB, 6 DRILL COLLARS [3.125']; TAG TOP OF CEMENT AT 193'; PU POWER SWIVEL; BROKE CIRCULATION

FOUR STAR OIL & GAS COMPANY

Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

DRILLED CEMENT FROM 193' TO 305' [DRILLED 112' IN 5 HOURS AVERAGED 22' HOUR, NOTE: 1ST TOOK 45 MINUTES / DRILLED 17' ON LAST JT IN 70 MINUTES]; CIRCULATED CLEAN, RAKED BACK SWIVEL, LAY DOWN 3 JTS; CWI; WINTERIZED EQUIPMENT FOR NIGHT;

20-Jan-07

WCI; AT 0500 WEATHER CONDITION SNOWING W/ +- 2 INCHES ON ROADS WITH MORE FORECASTED; AT 0530 RIG CREW CALLED EXPRESSED CONCERNS ON ROAD & WEATHER; DECISION MADE NOTE TO WORK TODAY; CREW WILL BE OFF FOR WEEK END AS NORMAL:

22-Jan-07

HELD TIF SAFETY CONCERNING RED BOOK SECTION 13.9 WELL CONTROL; KEY JSA ON DRILLING, WORK SAFE PACE ON ICY LOCATION, TAKE BREAKS AS NEED ON COLD MORNING, BE ALERT TO ICE PLUGS, AND STOP WORK AUTHORITY;

THAWED OUT EQUIPMENT; GOT RIG PUMP RUNING & CIRCULATING

DRILLED HARD CEMENT FROM 305' TO 417'; MADE 112' TODAY; NOTE: CHANGED OUT WEIGHT INDICATOR; NOTE: DRILLING LONG WAY, TRY TO REVERSE & START PLUGING UP;

TIED BACK POWER SWIVEL; LAID DOWN 7 JTS;

WINTERIZED EQUIPMENT;

23-Jan-07

HELD TIF SAFETY MEETING CONCERNING LOCATION JSA ON WORKING SAFELY ON FROZEN LOCATION & THAWING EQUIPMENT, JSA ON PULLING TUBING/DRILL COLLARS, TAKE BREAKS AS NEEDED, AND STOP WORK AUTHORITY

THAWED OUT EQUIPMENT, PUT RIG PUMP IN SERVICE

RAN 6 JTS OUT OF DERRICK, PU JT W/ POWER SWIVEL; ESTABLISHED CIRCULATION

DRILLED HARD CEMENT FROM 417' KBC PM TO 476' KBC PM;

ATTEMPTED TO REVERSE CIRCUALTED; DRILLED + 2' PLUGGING UP; UNPLUGGED; STILL PLUGGING; PU CIRCULATED CLEAN; SWITCHED BACK TO REGULAR CIRCULATION; DRILLED FROM 477' KBC PM TO 527' KBC PM; NOTE: MADE 110' HOLE TODAY; [SINCE TAG MADE 334'];

LAID DOWN SINGLE; TIED BACK POWER SWI VEL; RACKED 4 STANDS IN DERRICK;

CWI; WINTERIZED EQUIPMENT;

24-Jan-07

HELD TIF SAFETY MEETING CONCERNING: KEY JSA ON RUNNING DRILL COLLARS, WORK SAFE PACE ON ICY/MUDDY LOCATION, TAKES BREAKS AS NEEDED [COLD WEATHER], THAWING EQUIPMENT SAFETY, AND RED SECTION 13.11 OUT OF RED BOOK [WORKOVER RIG INSPECTION]

STARTED EQUIPMENT & THAWED OUT EQUIPMENT;

POOH W/ 2.375" TUBING & BHA; BIT IN GOOD CONDITION [HAD CEMENT IN TEETH]; CHANGED TO A 4.75" BAKER WORKOVER BIT; WIH W/ SAME BHA ON 2.375" TUBING; PU TOP JT W/ POWER SWIVEL; TAGGED AT 527' KBC PM; ESTABLISHED CIRCULATION

DRILLED HARD CEMENT FROM 527' KBC PM TO 631' KBC PM; FELL 3', RETURNS DROPED FROM FULL TO + 3/4 FOR A FEW MINUTES THEN RETURNED [LOST LESS THAN 2 B/W]; MADE CONNECTION RETAGGED HARD CEMENT AT 635' KBC PM; DRILLED FROM 635' TO 639' KBC PM; CIRCULATED CLEAN;

LAID DOWN 1 JT.; TIED BACK POWER SWIVEL; POOH W/ 6 STANDS; CWI

WINTERIZED EQUIPMENT:

25-Jan-07

HELD TIF SAFETY MEETING: READ SECTION 13. & 13. FROM THE READ BOOK, LOCATION JSA ON TESTING CASING, WORK SAFE PACE ON ICY/MUDDY LOCATION, STOP WORK AUTHORITY,

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FOUR STAR OIL & GAS COMPANY Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

THAWED OUT EQUIPMENT; CIRCULATING RIG TANK

WIH W/TUBING; STOPED AT 631' KBC PM; CIRCULATED HOLE; RU HIGH TECH TEST UNIT; PSI UP ON ANNULUS TO 500#

HELD 30 MINTES ON CHART; RELEASED PSI

PU ONE JOINT WITH POWER SWIVEL : CIRCULATED HOLE :

DRILLED HARD CEMENT FROM 639' KBC PM TO 708' KBC PM; CIRCULATED CLEAN; WIH TO 761' KBC PM; NO TAGS;

RU HIGH TECH TEST UNIT; PSI UP ANNULUS TO 500#, LOST 100# IN 1ST MINUTE, 80# 2ND MINUTE THEN TOOK 3 MINUTES

TO 250#, TEST + 10 MORE TIMES AFTER BLEEDING OFF; SAME LEAK; OPEN SURFACE PIPE, SMALL AMOUNT OF AIR CAME OUT,

RETESTED ANNULUS 5 TIMES SAME LEAK OFF NOTHING ON SURFACE PIPE; WIH TAG AT 842' KBC PM; PU AND TESTED

AGAIN SAME RESULTS; TRAPPED 500# ON ANNULUS & RU TESTED UNIT ON SURFACE PIPE PSI UP 300# WITH LESS THAN 10 GAL

LOST 40# IN 5 MINUTES : PSI UP 350# LOST 50# IN 5 MINUTES :

NOTE: TESTED TOTAL OF 20 TIMES USED TOTAL OF 110 GALLONS; LOSSING + 5 GALLONS EACH TEST; UNABLE TO GET CASING TO TEST ALSO UNABLE TO PUMP IN AT 500#:

POOH & CWI;

WINTERIZED EQUIPMENT & LOADED OUT POWER SWIVEL;

26-lan-07

HELD TIF SAFETY MEETING CONCERNING: READ SECTION 13.11.4 RECOMMEDIATION TO GOVERN BLOCK SPEED, LOCATION JSA ON PU REPLACEMENT POWER SWIVEL, LOCATION JSA ON ICY/MUDDY LOCATION, EMERGENCY RESPONSE

THAWED OUT EQUIPMENT;

WIH TO 820' KBC PM;

PU REPLACEMENT POWER SWIVEL, AND WIH TAGED AT 842' KBC PM; ESTABLISHED CIRCULATION

DRILLED CEMENT FROM 842' TO 856'; TAGGED PLUG; DRILLED COMPOSITE CEMENT RETAINER; WIH TAGGED AT 1050' KBC PM

: DRILLED FROM 1050' KBC PM TO 1107' KBC PM ; CIRCULATED CLEAN

TIED BACK POWER SWIVEL; POOH TO 288' BTM OF BIT; CWI

WINTERIZED EQUIPMENT:

27-Jan-07

SAFETY MEETING WITH CREW. RED BOOK, JSA AND TIF (SEE GENERAL INFORMATION)

TIH AND TAG CMT TOP AT 1107' KB. PICKED UP POWER SWIVEL, CIRCULATED HOLE AND PREPARE TO DRILL CMT. NOTE:

FLUID WAS AT SURFACE PROVING THE CASING LEAK HAS ENTRY. VERY LITTLE PRESSURE.

DRILLED HARD CMT TO 1171'. DRILLED RATTY CMT TO 1205'. SQUEEZE PERFS AT 1190-92'. LAID DOWN POWER SWIVEL AND

TIH AND LIGHTLY TAGGED CBP AT 1298'. WIRE LINE MEASUREMENT IS 1307'.

 $PUMPED\ 40\ BBLS\ 2\%\ KCL\ FROM\ FRAC\ TANK\ AND\ CIRCULATED\ DIRTY\ WATER\ FROM\ CASING.\ PRESSURE\ TESTED\ CASING\ TO\ 500\ PSI.$

BLED OFF TO 300 PSI IN 30 SECONDS AND ON DOWN. DID NOT ATTEMPT PUMP IN RATE WITH RIG PUMP. THIS TEST WAS

SIMILAR TO PREVIOUS TESTS.

TOOH AND STOOD BACK DRILL COLLARS.

TIH WITH BIT AND CASING SCRAPER TO CBP AT 1298' TOOH.

DRAIN UP EQUIPMENT AND SHUT IN WELL.

29-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION 13-12-1 OUT OF RED BOOK, DISCUSS JSA ON RUNNING ELECTRIC LINE,

FROZEN ROUGH LOC, KEEP HANDS OUT OF POCKETS

RIG UP SCHLUMBERGER GIH W/ GR/CBL TO 1293' RUN CBL LOG TO 100' POOH RIG DOWN SCHLUMBEREGER, NOTE WELL FLOWING A

SMALL STREAM

M/U BAKER TENSION PKR GIH TO 1237'

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FOUR STAR OIL & GAS COMPANY Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

SET PKR AT 1235' ATTEMPT TO TEST CBP TO 500# LEAKED TO O PSI IN 45 SECS, ATTEMPTED SEVERAL TIMES W/ SAME RESULTS, SLACK PKR OFF TO 1270' SET PKR AT 1268' ATTEMPT TO TEST CBP TO 500# TESTED FOR 15 MIN NO PRESS LOSS, MOVE PKR UP TO 1217, TEST TO 500# FOR 15 MIN NO PRESS LOSS. MOVE PKR UP TO 1142' SET AND ATTEMPT TO TEST PERF'S AT 1190-92' TO 500# LOST APPROX 120# IN 30 MIN. MOVE PKR DOWNHOLE TO 1152' SET PKR ATTEMPT TO TEST PERFS AT 1190-92 TO 500# LOST APPROX 20 #. INCREASE PRESS TO 600# LOST APPROX 20 #. INCREASE PRESS TO 600# LOST APPROX 20# IN

20 MIN, RELEASE PRESS-REPRESS TO 600# LOST APPROX 20# IN 30 MIN, RELEASE PRESS

UNSET PKR MOVE UP HOLE TO 732' SET PKR TEST CSG FROM 732' TO TOP OF CBP AT 1307' TO 500# LOST APPROX 10# IN 15 MIN, P/U TO 668' SET PKR ATTEMPT TO TEST FROM 668' TO 1307 TOP OF CBP LOST 440# IN 5 MIN CIRC UP CSG, RIG UP TO TEST CSG FROM SURFACE TO 668' CIRC UP TBG SLOWLY, GIH TO 700' SET PKR ATTEMPT TO TEST DOWN TBG CIRC UP CSG, GIH TO 710' SET PKR ATTEMPT TO PRESS UP TO 500# PUMPING DOWN TBG UNABLE TO GET ABOVE 400# CIRC AROUND ON CSG, GIH TO 702\$ SET PKR PRESS UP TO 500# DOWN TBG, TEST FOR 15 MIN LOST

10#, GIH TO 732' SET PKR ATTEMPT TO TEST BACKSIDE, ATTEMPT TO PRESS UP W/ HY-TECH PUMPING AT 5 GALS PER MIN PRESS BUILDING SLOWLY GOT TO 400# PRESS BARELY BUILDING PUMPING 5 GALS MIN, PUMP ON BACKSIDE W/ RIG PUMP PRESS UP TO 600# W/ PRESS TO HY-TECH CHART LOST 500# IN 8 MIN, RELEASE PRESS UNSET PKR P/U TO 658' SET PKR TEST CSG FROM SURFACE TO 658' FOR 20 MIN PRESS HELD

POOH W/ PKR LAY DOWN SAME, AND DRAIN ALL LINES SECURE WELL FOR NIGHT

NOTE: REC PERMISSION TO PUMP 300 PSI PRODUCT TO SEAL OFF LEAK FROM BLM ,WAYNE TOWNSEND AND NEW MEXICO OIL AND GAS, CHARLIE PARENT PER JESUS CAPO(ENGR)

30-Jan-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION 13-12-2 AND 13-12-3 OUT OF RED BOOK, FROZEN RUTTY LOC, SLIPS TRIPS FALLS, JSA ON TRIPPING PIPE, SAFETY THAWING OUT EQUIP

M/U BAKER RET BP TIH AND SET AT 823'

POOH W/ RUNNING TOOL

M/U BAKER TENSION PKR TIH

SET PKR AT 764' AND TEST RBP TO 700# FOR 10 MIN NO PRESS LOSS, RELEASE PRESS

POOH W/ PKR AND LAY DOWN SAME (HELD BOP DRILL 45 SEC RESPONSE W/ MAN IN DERRICK)

HELD FIRE DRILL AND SECURE WELL

31-Jan-07

SHUT DOWN WAIT ON LIOYD RICHARDSON TO DISCUSS MITIGATION PLA W/ 300 PSI HANDS

LLOYD RICHARDSON AND JAMES SANDERS DISCUSS MITIGATION PLAN W/ 300 PSI HANDS AT AZTEX, NEW MEXICO OFFICE

1-Feb-07

WAIT ON 300 PSI TO GET TO LOC

HOLD SAFETY MEETING W/ RIG CREW, BAKER 300 PSI AND LLOYD RICHARDSON DISCUSS 4 PTS TIF, JSA ON TRIPPING PIPE, JSA ON PUMPING 300 PSI PRODUCT, EMERGENCY RESPONSE, LOC SAFETY, SPILLS AND HAND SAFETY

UNTHAW EQUIP AND LINES

OPEN WELL GIH OPEN ENDED TO 759'

THAW OUT 300 PSI EQUIP

RIG UP AND DISPLACE WELL W/ 300 PSI PRODUCT (700 GALS)

POOH W/TBG CLOSE AND LOCK BLIND RAMS

TOP OFF WELL W/50 GALS 300 PSI PRODUCT, PRESS UP ON WELL W/RIG PUMP TO 600# LOST APPROX 400# IN 10 MIN,

REPRESS TO 600# W/ RIG PUMP, OPEN NITROGEN TO WELL TO HOLD 600 PSI

REGULATOR ON NITROGEN SET AT 600 PSI, WILL HOLD CONSTANT PRESS W/ 3 BOTTLES WATCH INJECTION RATE

FOUR STAR OIL & GAS COMPANY

Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

Basin Fruitland Coal/Blanco P.C. South Pools San Juan County, New Mexico

SHUT OFF NITROGEN AND WATCH PRESS FOR 30 MIN LOST 40

REPRESS W/ NITROGEN HOLDING 600#, LEAVE OVERNIGHT, DRAIN ALL EQUIP, SECURE WELL FOR NIGHT

2-Feb-07

WAIT ON 300 PSI CREW

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION 13-15 IN REDBOOK, JSA ON NRUNNING TBG, JSA ON REMOVING NITROGEN BOTTLES AND HOOKING UP CHART, FROZEN LOC, SLIPS-TRIPS-FALLS

CLOSE VALVE AND REMOVE NITROGEN BOTTLES AND HOOK UP CHART RECORDER W 1000# X 2 HR CHART

OPEN CASING VALVE TO CHART RECORDER STARTING PRESS APPROX 590# AFTER 1 HR PRESS APPROX 585#

CLOSE CASING VALVE AND REMOVE CHART RECORDER, OPEN WELL TO FLOWBACK TANK AND BLEED OFF PRESS

M/U RETRIEVING HEAD AND TIH W/ TBG TO 763'

RIG UP AND CIRC OUT 300 PSI PRODUCT INTO VACCUM TRUCK

GIH AND LATCH BAKER RBP, LET OPEN BYPASS LET SIT FOR 15 MIN, RELEASE RBP

POOH W/ RBP AND LAYDOWN SAME

CHANGE DRILL LINE OVER FROM DOUBLE FASTLINE TO FAST LINE AND DEADMAN

M/U BAKER TENSION PKR AND TIH TO 823'

RIG UP TO SWAB

SWAB TBG TO 500' RETAG FLUID TAG LINE POOH WAIT 1 HR RETAG FLUID WITHIN 20' OF FIRST TAG (DIFF PROBABLY IN

SPEED FLUID WAS TAGGED) I CALLED SWAB TEST GOOD

RIG DOWN SWAB LINE

RELEASE PACKER AND POOH AND LAY DOWN PKR

M/U 4 3/4 BIT, BIT SUB W/FLOAT AND 6 3 1/8" DC'S TIH W/ 2 3/8" TBG TO TAG UP AT 1295'

DISPLACE FLUID IN WELL W/ AIR

DRAIN ALL LINES AND SECURE WELL FOR NIGHT

3-Feb-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION 13-15 AND 13-16 OUT OF REDBOOK, JSA ON RIGGING UP SWIVEL, FROZEN LOC. SLIPS TRIPS AND FALLS

THAW OUT LINES

P/U POWER SWIVEL

START PUMPING SCF AIR PRESS BUILT UP TO 500# INDICATING APPROX 1000' OF FLUID IN 2 3/8 X 5 1/2 ANNULUS (TBG

AND ANNULUS WAS BLOWED DRY ON THE 2ND) BLOW SAME DRY REC APPROX 18 BBLS WATER, PUMP AIR W/ 10-12 BBLS WATER HR

W/ 2 GALS INHIBITOR PER 20 BBLS WATER AND 1-1/2 GALS SOAP PER 20 BBLS WATER TO GET INHIBITOR IN WELL BORE

SHUT DOWN DRAIN ALL LINES BLEED OFF WELL AND SECURE WELL

5-Feb-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION 13.17 OUT OF RED BOOK, JSA ON LOADING WELL, FROZEN LOC, SLIPS TRIPS AND FALLS, HAND SAFETY

CHECK CASING PRESS 40 PSI,THAW OUT LINES, LOAD CASING TOOK APPROX 2 BBLS TO FILL

RIG DOWN AND LOAD OUT POWER SWIVEL

POOH STAND TOT OF 16 STDS IN DERRICK LAY DOWN REST OF TBG AND DRILL COLLARS (HELD EMR EVACUATION DRILL WHILE POOH)

LOST AIR PRESS, THAW OUT AIRLINE

POOH LAY DOWN TBG AND DRILL COLLARS

GIH W/ 32 JTS TBG W/ COLLAR ON BTM TO 1017'

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FOUR STAR OIL & GAS COMPANY Summary of Recompletion/Commingle Well Work (1/08/2007 thru 2/07/2007) Charley Pah # 4 Well API # 30-045-06636

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RIGGING DOWN EQUIP, EMPTYING TANKS AND AND WAITING ON TBG HANGER

WSI ARRIVED W/ 2 TBG HANGERS NEITHER HANGER LOOKED LIKE IT WAS THE RIGHT ONE, WILL TRY TO FIND THE ONE SENT TO TUBOSCOPE AND COMPARE, IF NEED BE HAVE HANGER CUT FOR 2 3/8*, DRAIN HOSES AND SECURE WELL FOR NIGHT

6-Feb-07

WAIT ON RIG CREW THEY HAD TO ATTEND MAKE UP SAFETY MEETING

HOLD SAFETY MEETING DISCUSS4 PTS TIF, SECTION OUT OF RED BOOK, JSA ON THAWING OUT EQUIP, AND LOADING OUT EQUIP TO MOVE TO MARSHAL A-5

LOAD OUT, AIR UNIT, FRAC TANK, RIG TANK, CLOSING UNIT, AND TRYING TO FIND CPRRECT TBG HANGER, AND THAWING OUT BOP'S AND TIW VALVE

THAWING OUT BOP'S AND TIW VALVE AND TRYING TO FIND TBG HANGER

POOH W/ TBG

WAIT ON RBP

GIH W/ RBP SET AT 445' POOH

RIG DOWN FLOOR, NIPPLE OFF BOP'S

CHECK TO SEE IF HANGER THAT WSI SENT FIT, IT WAS THE WRONG STYLE AND WAS TO BIG, TAKE MEASUREMENTS N/U BOP'S

DRAIN ALL LINES SECURE WELL FOR NIGHT

NOTE: WSI THINKS THEY FOUND A HANGER TI FIT WELL HEAD, THEY WILL BRING OUT HANGER AND NEW WELL HEAD TO CHANGE OUT IF HANGER DOESN'T FIT

7-Feb-07

HOLD SAFETY MEETING DISCUSS 4 PTS TIF, SECTION OUT OF RED BOOK, JSA ON N/D BOP'S, SLICK ,ICY LOC, SLIPS TRIPS FALLS

OPEN WELL NO PRESS, N/D BOP'S TRY HANGER IN WELL ,RIGHT HANGER, N/U BOP'S, INSTALL FLOOR

GIH W/ RET TOOL TO 445 LATCH RBP, RELEASE SAME AND POOH LAY DOWN RBP

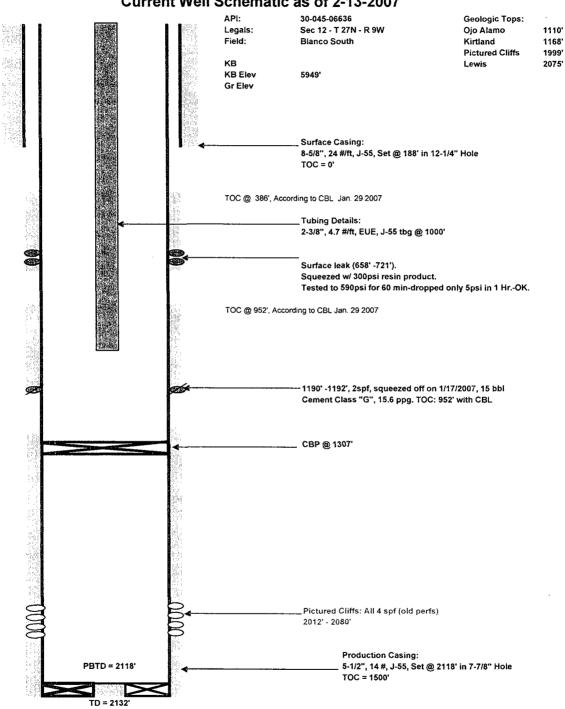
 $\mbox{\em M/U}$ COLLAR ON END OF TBG GIH TO 1017' INSTALL HANDER AND HANG OFF TBG

RIG DOWN FLOOR AND N/D BOP'S INSTALL THREAD HALF ON WELLHEAD AND TIGHTEN W/ 60" PIPE WRENCH, INSTALL 2" X 3000# BALL VALVE W/ 2" TAPPED BULŁPLUG W/ NEEDLE VALVE IN TOP OF TBG HANGER, CLOSE ALL VALVES ON WELL HEAD RIG DOWN RIG

RIG MAINTENANCE



Charley Pah 4 San Juan, New Mexico Current Well Schematic as of 2-13-2007



Prepared by: Date: James Carpenter 1/23/2006

Revised by: Date: Jesus Capo 2/13/2007