

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**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.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator FOUR STAR OIL GAS COMPANY	Contact: KEN JACKSON E-Mail: kewj@chevrontexaco.com	5. Lease Serial No. 1149IND8466
3a. Address 11111 S WILCREST HOUSTON, NM 77099	3b. Phone No. (include area code) Ph: 281.561.4991 Fx: 281.561.3702	9. API Well No. 30-045-06480-00-S1	6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T27N R9W SWNW 1650FNL 0990FWL 36.57793 N Lat, 107.74492 W Lon		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL SOUTH BLANCO PICTURED CLIFFS	7. If Unit or CA/Agreement, Name and/or No.
		11. County or Parish, and State SAN JUAN COUNTY, NM	8. Well Name and No. JOHN CHARLES 2

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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Due to concerns from the the NM Oil Conservation Division, Four Star Oil & Gas Company proposes to amend the procedure to add the Basin (Fruitland Coal) and downhole commingle the S. Blanco (Pictured Cliffs with the Basin (Fruitland Coal) in the subject well.

The fruitland coal will be completed as follows:

1. MIRU workover rig. ND wellhead. NU BOP and test same.

2. Test 5-1/2" casing. If casing does not hold, shut-in well and determine to either repair the casing or plug and abandon the well based on the severity of casing problems.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

No commingling order - 3-5-04

14. I hereby certify that the foregoing is true and correct. Electronic Submission #27795 verified by the BLM Well Information System For FOUR STAR OIL GAS COMPANY, sent to the Farmington Committed to AFMSS for processing by MATTHEW HALBERT on 02/25/2004 (04MXH1304SE)	
Name (Printed/Typed) KEN JACKSON	Title APPLICANT
Signature (Electronic Submission)	Date 02/11/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Petr. Eng.</i>	Date <i>2/26/04</i>
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.		Office NMOCD

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #27795 that would not fit on the form

32. Additional remarks, continued

3. If casing test is successful, perforate fruitland coal: 1994'-1990', 1982'-1970', 1950'-1942', 1922'-1908' with 4 shots per foot for a total of 152 holes.

4. Hydraulically frac the fruitland coal with 70% foam frac with slickwater, 46,346 gallons of water and 170,000# of 16/30 Brady sand.

5. Flowback and clean up well. RIH with 2-1/16" tubing, rods and pump. ND BOP. NU wellhead. RDMO.

To support the proposed downhole commingling Four Star submits the following:

- i) The NMOCD has previously approved the commingling of the two pools in NMOCD Order #11363.
- ii) The pools to be commingled are the S. Blanco(Pictured Cliffs) and the Basin (Fruitland Coal)
- iii) The perforations are at 2090'-2202'(Pictured Cliffs) and 1994'-1908'(Fruitland Coal)
- iv) The production will be allocated using the subtractive method.
- v) Commingling will not reduce the value of the total remaining production.
- vi) Interests in the two zones are the same