AMENDED 5-28-13 RECEIVED

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 30 2013

Farmington Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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 page 2.*

5. Lease Serial No.
I-149-IND-8463

6. If Indian, Allottee or Tribe Name
Navajo

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

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Blanco #1

2. Name of Operator
Four Star Oil & Gas Company

9. API Well No.
30-045-06912

3a. Address
ATTN: Regulatory Specialist
332 Road 3100 Aztec New Mexico 87410

3b. Phone No. *(include area code)*
505-333-1941

10. Field and Pool or Exploratory Area
Blanco Mesaverde

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
790 FNL 1850 FEL B-01-27N-09W Lot: 2

11. County or Parish, State
San Juan County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Bradenhead repair or P&A
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

This is an amended filing in the instance of the well being Plugged and Abandoned (P&A) if Bradenhead repair is not possible. This form summarizes the combined Conditions of Approval noted by BLM and NMOCD.

The changes represent a compilation of the stipulations that each agency submitted to Four Star Oil & Gas Co. In all cases they represent the most stringent stipulations. Thus the re-submittal is intended to share the changes and obtain approval of the revised abandonment procedure. Naturally actual conditions may warrant further changes as we progress through the abandonment. The agencies will be involved in all deviations.

See attached procedure and wellbore diagram.

RCVD JUN 5 '13
OIL CONS. DIV.
DIST. 3

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

Title Regulatory Specialist

Signature April E Pohl

Date May 28, 2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Original Signed: Stephen Mason

Title

Date JUN 03 2013

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

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

WELL:	Blanco 1
Area:	Rockies / Coalbed Methane
Field:	Blanco South
County/State:	San Juan, New Mexico

API #:	30-045-06912
Spud Date:	8/4/1959
Sec - Twp - Rng:	1 – T27N – R9W
Lat/Long:	36.60905 -107.73663
X/Y:	528382.7598153 2040959.3353299
Survey:	790' FNL and 1850' FEL
GL/KB:	5868'/5879'

Well has pressure on the braden head with a possible casing leak. If braden head repair is easy the braden head will be repaired and well placed back on production. If the csg is leaking or the braden head is a difficult repair the well will be P&A'd.

1. Uncover casing valves. Check pressure on all casing and tubing strings (including bradenhead). Note pressures on report. Blow down well and kill w/ water if necessary.
2. MIRU workover rig and equipment.
3. N/D wellhead. N/U spool and 2-3" lines to flowback tank. Blow down well as required.
4. N/U Class 3 BOP stack with annular. MIRU BOP tester. Test BOP's to 250#/1500#. RDMO BOP testers.
5. Rig up tubing handling equipment.
6. POOH with 141 joints of 2-3/8" tubing and BHA as listed below. Tubing was run in 2008. Yield strength of 2-3/8", 4.7#, J-55 tubing is 60,300#. Maximum pull is 48,240# (80% yield).
   Lay down tubing as POOH. Number joints and have Tuboscope inspect.

   Tubing Details: 5/1/2008:
   141 jts, 2-3/8"
   1 2-3/8" Baker F nipple
   2' x 2-3/8" pup jt
   1 wireline re-entry guide
   EOT @ 4435'

7. Order out workstring to be used for P&A operations.
8. P/U 7-5/8", casing scraper and bit. RIH with bit and scraper on 2-3/8" workstring. Run bit and scraper to top of liner @ 2085'.
9. POOH. L/D Bit & scraper.
10. P/U and RIH with 7-5/8" CBP @ 2035' (top of liner @ 2085'). Load well with water.
11. P/U 7-5/8" packer (possibly with RBP) on workstring and hunt for leak.
    DECISION POINT – TO REPAIR OR P&A
12. Pull packer
13. Rig up wireline, run CBL from (RBP) 2035' to surface.

If CSG Repair determine squeeze or casing repair procedure. Stay in contact with Houston

IF P&A –

Stay in contact with NMOCD/BLM and Houston. BLM and NMOCD will need to be notified at least 24 hours before the plugging operations commence.

14. RIH with bit on 2-3/8" workstring. RIH and tag CBP at 2035'. Drill out CBP. Cleanout to top of liner at 2085'. POOH.
15. P/U and RIH with 4-3/4" bit, bit sub with float. RIH to ~ 4450'.
16. POOH and lay down bit.
17. Pick up 5-1/2 cement retainer and set at 4300'.
18. MIRU cement provider. Establish injection down workstring and retainer. Squeeze the Mesa Verde perfs from 4314'-4468' with 50 sks Class "G" Neat cement. Sting out of retainer and spot 15- sks of cement on retainer. Pull up hole to 3724' and circulate tubing clean. TOH.

    Mesaverde Plug
    - Set plug 3724-3624' ; pump 15 sks of cmt

    Chacra Plug
    - Pull tubing to 3000' and set plug 3000-2900'; pump15 sks cmt

    Liner Top Plug
    - Pull tubing to 2264' and set plug 2264'-1977'; pump 50 sks

    Fruitland Plug
    - Depending upon results of CBL:
        - If cement exists outside casing: pull tubing to 1742' and set plug 1742-1642' pump; 25 sks cmt.
        - If no cement exists outside casing, perforate 4 squeeze holes at 1742'. TIH with 7-5/8" cement retainer set at ~ 1642'. Attempt to break circulation to surface. Attempt to cement to surface. If successful once good cement is circulated to the surface sting out of retainer set cement 25 sks cement plug on retainer. Pull up and reverse circulate out any remaining cement. NMOCD may require an new CBL/TEMP survey to show the TOC if cement is not circulated.

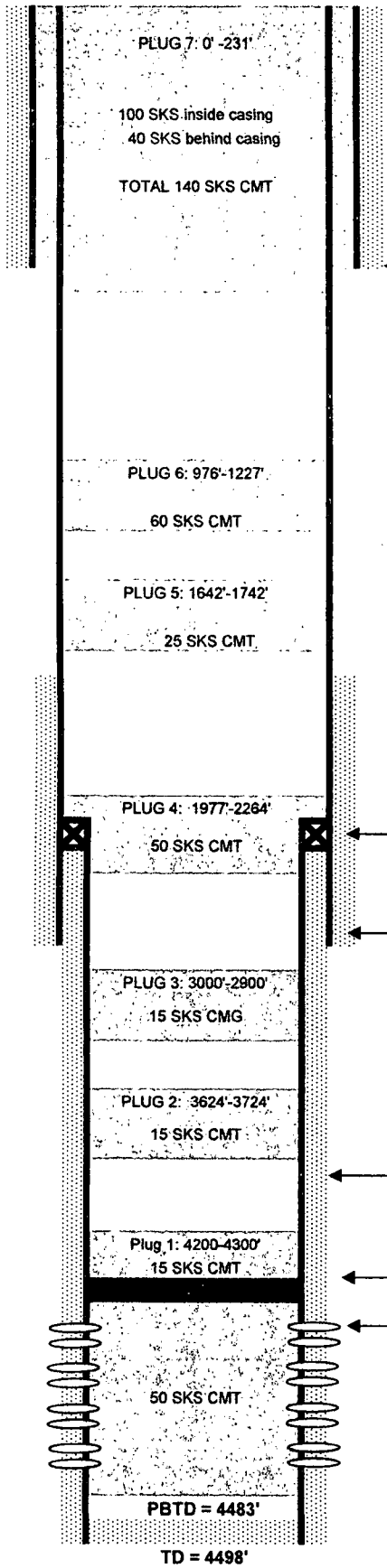
    Kirtland/Ojo Alamo Plug
    - Depending on results of CBL
        - If cement exists outside casing: pull tubing to 1227' and set plug 1227'-972'. Set a 60 sks plug.
        - If no cement exists outside casing, perforate 4 squeeze holes at 1227'. TIH with 7-5/8" cement retainer set at ~ 976'. Attempt to break circulation to surface. Attempt to cement to surface. If successful once good cement is circulated to the surface sting out of retainer set 25 sks cement plug on retainer. Pull up and reverse circulate out any remaining cement.

    Surface Casing Plug
    - Depending on results of CBL
        - If cement exists outside casing: pull tubing to 231' and pump cement from 231' to surface, pull tubing and fill 7-5/8" casing with cement to surface. (100 SKS inside CSG; 40 SKS between CSG)
        - If no cement exists outside casing, perforate 4 squeeze holes at 231'. Attempt to break circulation to surface. Cement down 7-5/8" casing and out bradenhead until good cement returns are seen
19. N/D BOP. Cut off wellhead, top fill with cement. Weld on dry hole marker.
20. RDMO.

Blanco 1 (former Blanco Development 27-9 #1-1)

San Juan County, New Mexico

Proposed Well Schematic as of 28 May 13



API: 30-045-06912
Legals: Sec 1 - T 27N - R 9W
Field: Blanco MV

KB
KB Elev
GR Elev

Spud Date: 8/4/59
Compl Date:

Surface Casing:
10-3/4" 32.75# H-40 Csg Set @ 181' in 15" hole
Cmt'd with 200 sks
TOC = 0' (Circ cmt)

Liner Top @ 2085'

Intermediate Casing:
7 5/8" 24# & 26.4# @ 2214' (hole size 9-5/8")
Cmt'd with 200 sks

Liner
5-1/2", 15.5 & 17# in 6-3/4" hole
cmt'd w/200 sks
squeeze top of liner w/100sks
CMT retainer @ 4300'
Mesaverde Perforations: 2 SPF

4314-22	4404-14
4327-32	4422-30
4337-48	4444-54
4358-77	4462-68
4383-97	2spf (82 holes)

8/20/59 Water Frac w/ 82,219 gals wtr, 500 gals mud cut acid @ 70 bpm w/210 balls in 4 stgs
4/28/08: Acidized w/ 3200 gals 15% acid and 250 bio-balls (under pkr)
Max pressure = 1225 psi. Saw little ball actions

Prepared by: Jamie Elkington
Date: 2/16/2013

Blanco 1 (former Blanco Development 27-9 #1-1)

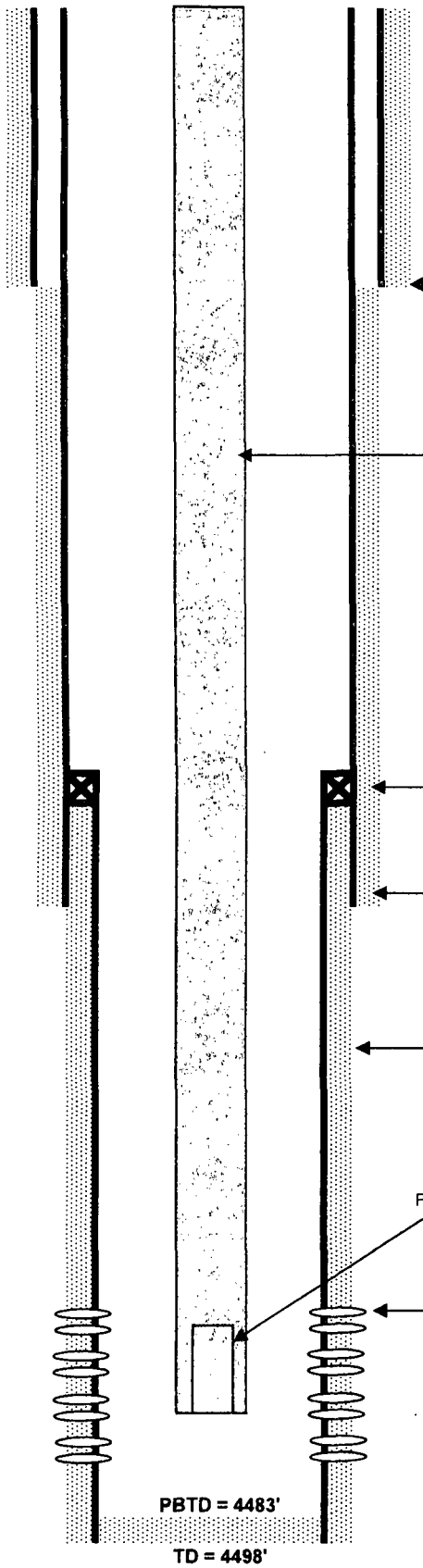
San Juan County, New Mexico

Current Well Schematic as of 01 May 08

API: 30-045-06912
Legals: Sec 12 - T 27N - R 9W
Field: Blanco MV

KB
KB Elev
GR Elev

Spud Date: 8/4/59
Compl Date:



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10-3/4" 32.75# H-40 Csg Set @ 181 in 15" hole
Cmt'd with 200 sks
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Tubing Details (4/30/08)
141 jts 2-3/8" tbg
1 2-3/8" Baker 'F' nipple
2' x 2-3/8" pup jt
1 Wireline re-entry guide
EOT @4435'

Liner Top @ 2085'

Intermediate Casing:
7 5/8" 24# & 26.4# @ 2214' (hole size 9-5/8")
Cmt'd with 200 sks

Liner
5-1/2", 15.5 & 17# in 6-3/4" hole
cmt'd w/200 sks
squeeze top of liner w/100sks

Put on Plunger lift (land tubing @4435')

Mesaverde Perforations: 2 SPF

4314-22	4404-14
4327-32	4422-30
4337-48	4444-54
4358-77	4462-68
4383-97	2spf (82 holes)

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4/28/08: Acidized w/ 3200 gals 15% acid and 250 bio-balls (under pkr)
Max pressure = 1225 psi. Saw little ball actions

PBTD = 4483'
TD = 4498'

Prepared by: Jean Kohoutek
Date: 10/11/2007

Revised by: Cuong Truong
Date: 5/1/2008