

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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		5. Lease Serial No. 1149-IND-8466
2. Name of Operator Four Star Oil & Gas Company		6. If Indian, Allottee, or Tribe Name Navajo
3a. Address P.O. Box 36366 Houston, TX 77236	3b. Phone No. (include area code) 281-561-4859	7. If Unit or CA. Agreement Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 930' 1390' FNL FEL Sec. 13 T27N R9W		8. Well Name and No. John Charles 8
		9. API Well No. 30-045-23628
		10. Field and Pool, or Exploratory Area Harris Mesa - Chacra
		11. County or Parish, State San Juan County New Mexico

12. CHECK APPROPRIATE BOX(S) 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"/> Altering 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	Workover
	<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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Four Star Oil and Gas Company respectfully requests approval to pull and replace tubing, repair Bradenhead leak, and return to production the above referenced well.

Please see attached procedure and current wellbore schematic for your use and review.

RCVD FEB21'07

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) Pamela Willman	Title Regulatory Specialist
Signature <i>Pamela Willman</i>	Date 2/15/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Original Signed: Stephen Mason		
Approved by	Title	Date
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	FEB 20 2007

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 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



Chevron U.S.A. Production Co.
Mid-Continent Business Unit
Coal Bed Methane

John Charles #8
San Juan County, New Mexico
Blanco Field
Sec 13 – T 27N – R 9W
API: 30-045-23628

Current Status: Producing ~40mcfpd on plunger lift. June 2, 2006 Bradenhead Test indicates that the bradenhead flowed water.

SCOPE: **Pull tubing and replace; repair Bradenhead leak; and return well to production.**

Procedure

1. Install and test rig anchors. Prepare pit for cementing operations. Pit must be lined and fenced before begging operations.
2. MIRU WO Rig. R/U rig.
3. Bleed well down or Kill well with 2% KCL water if needed.
4. ND Wellhead, NU Clean-Out Spool, BOP'S, and 2 - 3" lines.
5. Check the bradenhead for pressure. Report results to Houston.
6. POOH w/ ~ 3058' of 1-1/2" tbg and lay down. Send tubing to Tuboscope and order yellow-band tubing if possible. If not, order new tubing as per Houston and Jeff Hall.

Tubing details:
1-1/2" tbg @ 3058'

7. RIH with bit, bit sub and scraper/ mill on workstring to PBTD @ 3240'. Circulate hole clean with air Pump 5 – 10 bbl soap sweeps every ½ hour as needed. POOH and lay down bit, bit sub and scraper.
8. RIH with RBP and set @ +/-2800'. Circulate the hole clean with water.
9. Test the casing to 600 psi for 30 mins for integrity. Be sure to have Bradenhead valve open and check for flow when pressuring up casing.
10. If you get a good csg test, hook up to Bradenhead and attempt to establish injection rate @ no more than 600 psi.



11. Report both casing integrity results and injection rate down Bradenhead @ 600 psi to Houston.
12. RU SLB wireline services. Hold safety meeting prior to running logs and discuss and mitigate any hazards associated with this operation.
13. RU SLB wireline services to run Cement Bond Log. RIH w/ gauge ring and CBL. Log from RBP to surface. Run log with 600 psi also, if you were able to get a csg test as noted above.
14. Send CBL to Houston ASAP to determine TOC and verify data is good.
15. If casing does test and we have an injection rate down the bradenhead continue forward with **Option 1**.

If casing does test and we do not have an injection rate down the bradenhead proceed forward with **Option 2**.

If casing does not test continue forward with **Option 3**.

Option 1:

1. If we are able to establish an injection rate @ 600 psi from Step #11 and the casing did test to 600 psi. Prepare to pump cement down the bradenhead.
2. Cement volumes will be calculated once the TOC is determined.
3. MIRU cementing service company. Hold safety meeting prior to rigging up and discuss TIF, job awareness and overall job safety.
4. Pressure test treating lines.
5. Establish injection rate down bradenhead. Start cementing operations. Pump XXX sks (TBD) @ 15.6 ppg, 1.15 yield. Cement slurry will be determined based on what needs to get done.
6. Shut down after pumping cement or if you can build squeeze pressure of more than 600 psi. You can attempt to hesitate if you feel it is necessary.
7. Close bradenhead valve. Wash up cementing equipment to pit as necessary. Rig down service provider.
8. Shut well in overnight.
9. Check bradenhead the next morning and see if the leak is fixed.
10. If the leak is fixed, proceed to next step. If the leak is not fixed, then we will move forward with **Option 2**.
11. PU production tubing (set up for plunger lift) and RIH. Land tubing @ ~ 3058' or as per Jeff Hall's instructions.



12. ND BOP's. NU wellhead.
13. Hook up to flow line.
14. Turn well over to production and call lease operator.

Option 2:

1. RU SLB wireline services & prepare to perforate the casing.
2. Hold safety meeting with all involved with perforating. Discuss hazards involved, TIF, job awareness and overall safety.
3. RIH w/ CBP and set @ ^{322'} +/- ~~280'~~, depending on results of casing test and CBL.
4. PU perforating guns and RIH to perforate 4 holes @ ^{312'} +/- ~~260'~~, depending on results of casing test and CBL. POOH.
5. PU squeeze packer. RIH and set just above perforations. Be sure to open the bradenhead valve.
6. RU cement service provider and squeeze cement into perforations and out the bradenhead if possible.
7. We are attempting to build about +/- 600 psi squeeze pressure now.
8. Release packer after displacement and circulate if necessary. POOH with packer and lay down.
9. WOC as per service company recommendation and as per Houston.
10. RIH with bit, bit sub and DC's to drill out any cement down just past the perforations.
11. Once we have drilled past the perforations, we want to test the csg to 500 psi. Report results to Houston before drilling out the CBP.
12. RIH to PBTD and circulate well clean. POOH after circulating well clean.
13. RIH w/ packer or RBP and set @ +/-300' and test casing for integrity.
14. PU production tubing (set up for plunger lift) and RIH. Land tubing @ ~ 3058' or as per Jeff Hall's instructions.
15. ND BOP's. NU wellhead.
16. Hook up to flow line.
17. Turn well over to production and call lease operator.

Option 3:



1. PU packer. RIH and pinpoint any leak(s) we have within +/- 30'. Report results to Houston.
2. When you find the leak or leaks. Attempt to establish an injection rate @ no more than 600 psi. Check Bradenhead for communication.
3. At this point, we will communicate with all proper Regulatory agencies about how we would like to move forward, based on TOC from CBL, injection profile and possible depths of casing leaks.
4. Perform cementing operations as directed.
5. PU production tubing (set up for plunger lift) and RIH. Land tubing @ ~ 3058' or as per Jeff Hall's instructions.
6. ND BOP's. NU wellhead.
7. Hook up to flow line.
8. Turn well over to production and call lease operator.



John Charles #8
San Juan, New Mexico
Current Well Schematic as of 2-6-07

API: 30-045-23628-00
Legals: Sec 13 - T 27N - R 9W
Field: Basin

KB 10'
KB Elev 5973'
Gr Elev 5963'

Surface Casing:
8-5/8", 24 #, K-55, Set @ 262' in 12-1/4" Hole
TOC = 0' w/ 250 sks

Tubing Details:
1-1/2" tbg @ 3058'

Chacra Perfs (1 SPF 0.38")
2931' - 2934' 2984' - 2986' 2300 gals 15% Acid;
2937' - 2940' 3086' - 3092' 40,000 gals KCL wtr &
2967' - 2973' 3101' - 3105' 40,000# 10/20 sd

Production Casing:
4-1/2", 9.5#, K-55 Set @ 3278' in 7-7/8" hole
390 sacks / Est TOC 568'

PBTD = 3240'

TD = 3280'

Prepared by: Joy Leopold
Date: 2/6/2006

Revised by:
Date: