

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-10674
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1195
7. Lease Name or Unit Agreement Name Wayne Moore Com (17729 Prop. Code)
8. Well Number 1
9. OGRID Number 131994
10. Pool name or Wildcat Blanco-Mesaverde/Blanco Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Four Star Oil & Gas Company

3. Address of Operator
15 Smith Road Midland, Texas 79705 (c/o Alan W. Bohling, Rm 4205)

4. Well Location
Unit Letter N : 790 feet from the South line and 1760 feet from the West line
Section 16 Township 31-N Range 09-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6461' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume: _____ Bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Administrative Application for Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ BAND A ☐
CASING/CEMENT JOB ☐ OIL CONS. DIV. ☐
DIST. 3

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Four Star Oil & Gas Company respectfully submits this application for Administrative Approval to Downhole Commingle (DHC) production from the Blanco-Mesaverde (72319) and the Blanco Pictured Cliffs (72359) Pools within the wellbore of the Wayne Moore Com # 1. Both of these pools are included in the Pre-Approved Pools for Downhole Commingling established by NMOCD Division Order R-11363, Amending Rule 303.C (Case No. 12346 w/Exhibit "A").

This well is currently dually completed, producing each zone separately. We plan to remove the current dual completion production equipment, acidize existing perforations in the Blanco-Mesaverde, add perforations & fracture stimulate in the Blanco Pictured Cliffs, then RIH with single 2-3/8" tubing string, and downhole commingle produce.

(Please See Additional Downhole Commingle Supporting Data on Continuation Page 2 and attachments)

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Alan W. Bohling TITLE: Regulatory Agent DATE: 04/17/2007

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158

For State Use Only

APPROVED BY: [Signature] TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE: APR 18 2007

Conditions of Approval (if any):

Continuation Page 2 (Form C-103, Downhole Commingle Application, Dated 04/17/2007)

WAYNE MOORE COM # 1

(API # 30-045-10674)

790' FSL & 1760' FWL

UL N, Sec. 16, T-31-N, R-09-W

San Juan County, New Mexico

In support of this proposed Downhole Commingling request, Four Star Oil & Gas submits the following:

- a. The two pools to be commingled are the Blanco-Mesaverde (72319), with perforations from 5564'-5664' & 5148'-5228' and the Blanco Pictured Cliffs (72359), with perforations from 3254'-3400'.
- b. We have not experienced any significant cross flows between these two intervals and all fluids produced from these intervals are compatible.
- c. Downhole Commingling will not reduce the value of the total remaining production and will enhance the economic life of the well by eliminating redundant surface equipment and maximizing its productivity and total recoveries.
- d. Although ownership percentages in the two zones are not identical (minor-only 4%), notice of our intent to apply for Downhole Commingle has been sent to all interest owners in the spacing unit by certified mail (return receipt) on April 9, 2007, with no objections anticipated or received to date.
- e. A copy of this C-103 is being sent to the Commissioner of Public Lands for the State of New Mexico on this same date.
- f. Our proposed production allocation percentages are currently based on historical production from each zone when it was dually completed and are shown below (and also on attached supporting data). Due to plans of adding perforations and fracture treating, these initially proposed allocation percentages may change. If they do, they will be re-presented later using the "Subtraction Method" and based upon actual production performance.

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Blanco Pictured Cliffs	0%	22%	50%
Blanco-Mesaverde	100%	78%	50%

PROPOSED DHC ALLOCATION PERCENTAGES FOR WAYNE MOORE COM # 1
API # 30-045-10674
790' FSL & 1760' FWL, UL N, Sec. 16, T-31-N, R-09-W

BLANCO PICTURED CLIFFS (PC) PRODUCTION FOR 2006.

<u>Lease Name</u>	<u>Well Number</u>	<u>API</u>	<u>Year</u>	<u>Month</u>	<u>Oil (Bbls)</u>	<u>Gas (Mcf)</u>	<u>Water (Bbls)</u>	<u>Days On</u>
WAYNE MOORE COM	1	30-045-10674	2006	JAN		1031	0	31
			2006	FEB		1092	5	28
			2006	MAR		898	30	31
			2006	APR		736	11	30
			2006	MAY		325	30	31
			2006	JUN		509	0	30
			2006	JUL		681	10	31
			2006	AUG		730		30
			2006	SEP		711		30
			2006	OCT		844		31
TOTAL					0	7557	86	303

BLANCO-MESAVERDE (MV) PRODUCTION FOR 2006.

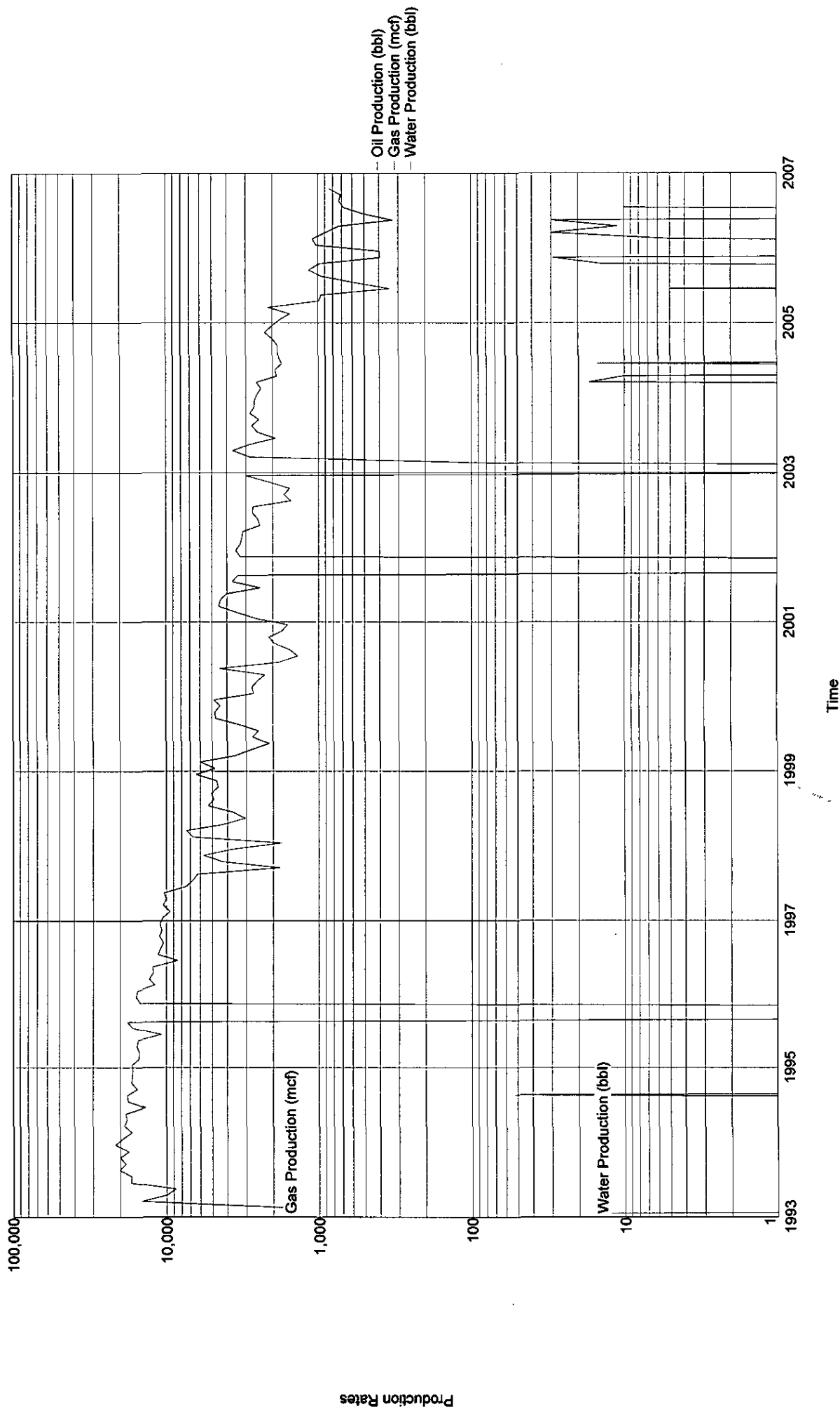
<u>Lease Name</u>	<u>Well Number</u>	<u>API</u>	<u>Year</u>	<u>Month</u>	<u>Oil (Bbls)</u>	<u>Gas (Mcf)</u>	<u>Water (Bbls)</u>	<u>Days On</u>
WAYNE MOORE COM	1	30-045-10674	2006	JAN		2851	0	31
			2006	FEB		2265	5	28
			2006	MAR		2307	30	31
			2006	APR		2406	11	30
			2006	MAY		2701	30	31
			2006	JUN		2490	0	30
			2006	JUL		3403	10	31
			2006	AUG		2830		31
			2006	SEP		2735		30
			2006	OCT		2624		31
TOTAL					(71 Bbls in 2005)	26612	86	304

Proposed Allocation Percentages

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
% PC	0%	22%	50%
% MV	100%	78%	50%

Lease Name: WAYNE MOORE COM
County, State: SAN JUAN, NM
Operator: FOUR STAR OIL & GAS COMPANY
Field: BLANCO
Reservoir: PICTURED CLIFFS
Location: 16 31N 9W NW SE SW

WAYNE MOORE COM 1



Lease Name: WAYNE MOORE COM
County, State: SAN JUAN, NM
Operator: FOUR STAR OIL & GAS COMPANY
Field: BLANCO
Reservoir: MESAVERDE
Location: 16 31N 9W NW SE SW

WAYNE MOORE COM 1

