

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator Four Star Oil & Gas Company (131994) (c/o Alan W. Bohling, Rm 4205)

3a. Address
15 Smith Road Midland, Texas 797053b. Phone No. (include area code)
432-687-7158

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FSL & 1250' FEL
UL I, NWSE, Sec. 12, T-27-N, R-09-W

5. Lease Serial No.

I-149-IND-8465

6. If Indian, Allottee or Tribe Name

Navajo-Allottee

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

8. Well Name and No.

Blanco #2-A

9. API Well No.

30-045-24526

10. Field and Pool, or Exploratory Area

Blanco-Mesaverde/Otero-Chacra

11. County or Parish, State

San Juan County, New Mexico

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Application for DHC
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	in Blanco-Mesaverde
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Otero-Chacra

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.)

Four Star Oil & Gas Company respectfully submits this application for Administrative Approval to Downhole Commingle (DHC) production from the Blanco-Mesaverde (72319) and the Otero-Chacra (82329) Pools within the wellbore of the Blanco # 2-A. 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 completed in the Blanco-Mesaverde Pool. We plan to pull tubing and production equipment, perforate and fracture treat the Otero-Chacra Pool, then RIH with tubing string, and Downhole Commingle produce both pools within this wellbore.

Please see additional Downhole Commingle Supporting Data on Continuation Page 2 and attachments.

Concurrent DHC Application is being made with NMOCD, Aztec Office on Form C-103 on this same date.

RCVD JUN12'07
OIL CONS. DIV.
DIST. 3

DHC 261742

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

Alan W. Bohling

Title Regulatory Agent

Signature

Alan W. Bohling

Date

06/06/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 6-11-07

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 FDO

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

Continuation Page 2 (Form 3160-5, Downhole Commingle Application, Dated 06/06/2007)

BLANCO # 2-A
(API # 30-045-24526)
1980' FSL & 1250' FEL
UL I, NWSE, Sec. 12, T-27-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 4000'-4478' and the Otero-Chacra (82329), with perforations from 3053'-3130'.
- 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 and downhole equipment if dually completed and by maximizing its productivity and total recoveries.
- d. Ownership percentages in the two zones are identical.
- e. Concurrent DHC Application is being sent on Form C-103 to the NMOCD, Aztec Office.
- f. Our proposed production allocation percentages are currently based on historical production from Blanco-Mesaverde zone by this well and on historical production by surrounding wells producing from the Otero-Chacra zone (See Attached Table & Graphs). If these initially proposed allocation percentages do not coincide with actual production results from completion, they will be re-presented later using the "Subtraction Method".

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Otero-Chacra	0%	73%	10%
Blanco-Mesaverde	100%	27%	90%

Summary Calculation Sheet for Proposed Allocation Percentages for Commingled Production Blanco # 2-A Well (API # 30-045-24526)

AVERAGE OF CHACRA PRODUCTION IN AREA OF BLANCO # 2-A WELL

Primary API	Lease Name	Well	Operator Name	UL	SEC	TWN	RNG	Status	Prod Zone	Oil Bbl/Day	Gas Mcf/Day	Water Bbl/Day
300451182900	FLORANCE		66 XTO ENERGY INC.	O	18	27N	8W	ACT	CHACRA	0	34	0
300452458300	SCHWERDTFEGER A		3E XTO ENERGY INC.	L	6	27N	8W	ACT	CHACRA	0	125	0
300452659100	FLORANCE LS		4A XTO ENERGY INC.	D	18	27N	8W	ACT	CHACRA	0	200	0
300453101600	FLORANCE		66F XTO ENERGY INC.	A	18	27N	8W	ACT	CHACRA	0	75	0
300453105100	SCHWERDTFEGER A		3F XTO ENERGY INC.	F	6	27N	8W	ACT	CHACRA	0	75	0
300453105200	SCHWERDTFEGER A		5F XTO ENERGY INC.	I	6	27N	8W	ACT	CHACRA	0	90	0
30045677300	BURROUGHS COM B		4 FOUR STAR OIL & GAS COMPANY	M	2	27N	9W	ACT	CHACRA	0	100	0
300452153200	BLANCO		25 FOUR STAR OIL & GAS COMPANY	E	12	27N	9W	ACT	CHACRA	0	170	0
300452153300	JAQUES COM		1 FOUR STAR OIL & GAS COMPANY	O	2	27N	9W	ACT	CHACRA	0	170	0
300452266000	JOHN CHARLES		6A FOUR STAR OIL & GAS COMPANY	I	13	27N	9W	ACT	CHACRA	0	180	1
300452287200	NELLIE PLATERO		5A FOUR STAR OIL & GAS COMPANY	I	11	27N	9W	ACT	CHACRA	0	140	0.1
300452362700	NELLIE PLATERO		6 FOUR STAR OIL & GAS COMPANY	L	12	27N	9W	ACT	CHACRA	0	250	0.1
300452362800	CHARLES JOHN		8 FOUR STAR OIL & GAS COMPANY	B	13	27N	9W	ACT	CHACRA	0	300	0
300452362900	MARSHALL A		7 FOUR STAR OIL & GAS COMPANY	B	14	27N	9W	ACT	CHACRA	0	180	0
300452481200	CHARLES JOHN		7E FOUR STAR OIL & GAS COMPANY	D	13	27N	9W	ACT	CHACRA	0	130	0
300452637100	TURNER HUGHES		17A BURLINGTON RESOURCES O&G CO LP	F	10	27N	9W	ACT	CHACRA	0	125	0
300452638100	TURNER HUGHES		15A BURLINGTON RESOURCES O&G CO LP	I	3	27N	9W	ACT	CHACRA	0	28	0
300452653300	HUGHES		10A BURLINGTON RESOURCES O&G CO LP	E	3	27N	9W	ACT	CHACRA	0	136	0.1
CHACRA AVG.										0	136	0.1

AVERAGE OF MESAVERDE PRODUCTION FROM BLANCO # 2-A WELL

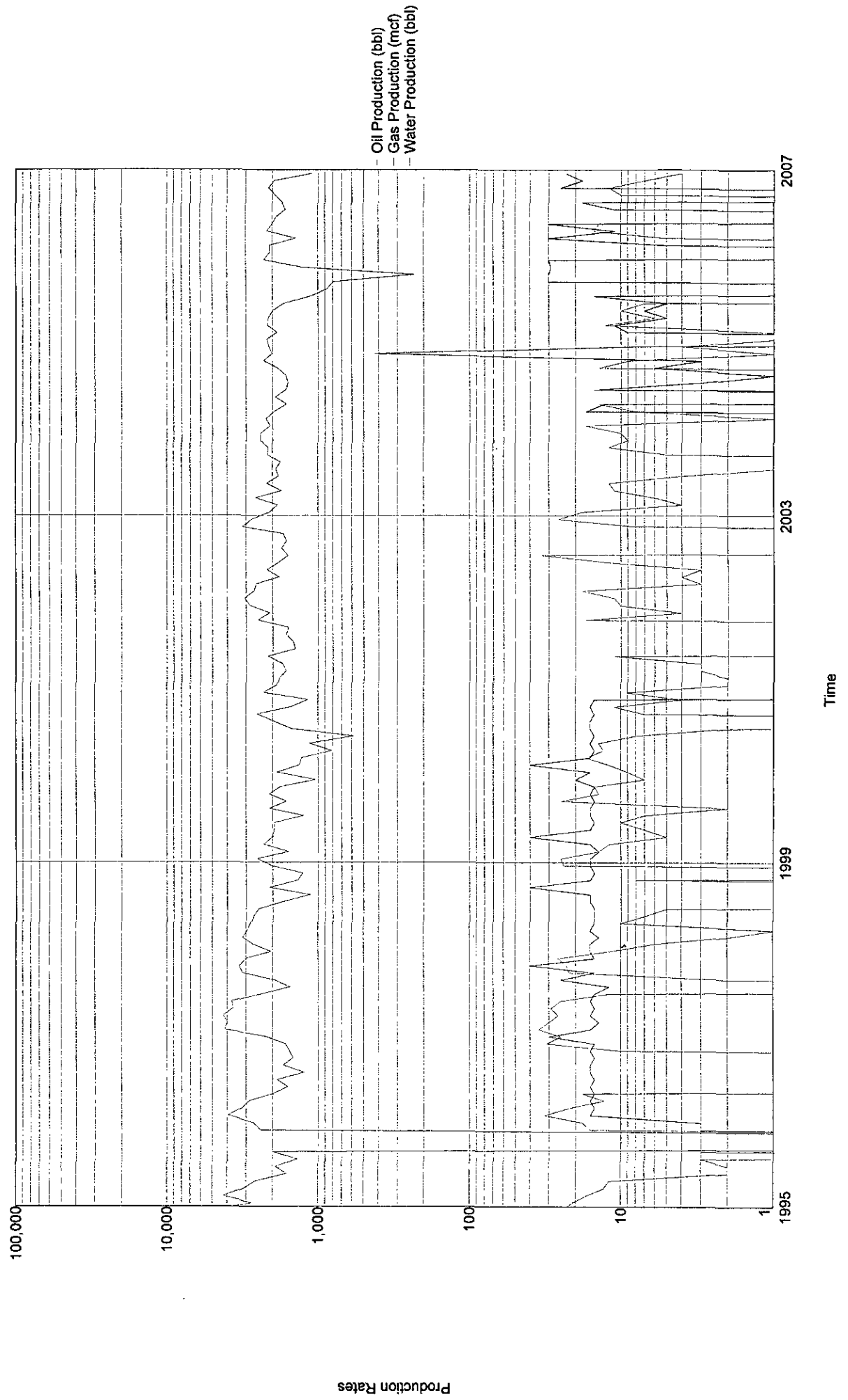
Primary API	Lease Name	Well	Operator Name	UL	SEC	TWN	RNG	Status	Prod Zone	Oil Bbl/Day	Gas Mcf/Day	Water Bbl/Day
300452452600	BLANCO		2-A FOUR STAR OIL & GAS COMPANY	I	12	27N	9W	ACT	MESAVERDE	0.2	52	0.3
										0.2	49	0.2
										0.0	38	0.9
										0.1	35	0.7
										0.2	65	0.6
										0.4	68	0.8
MV AVG.										0.2	51	0.6

PROPOSED DHC ALLOCATION PERCENTAGES FOR BLANCO # 2-A WELL

ALLOCATION FACTOR			
	OIL	GAS	WTR
CHACRA	0%	73%	10%
MESAVERDE	100%	27%	90%

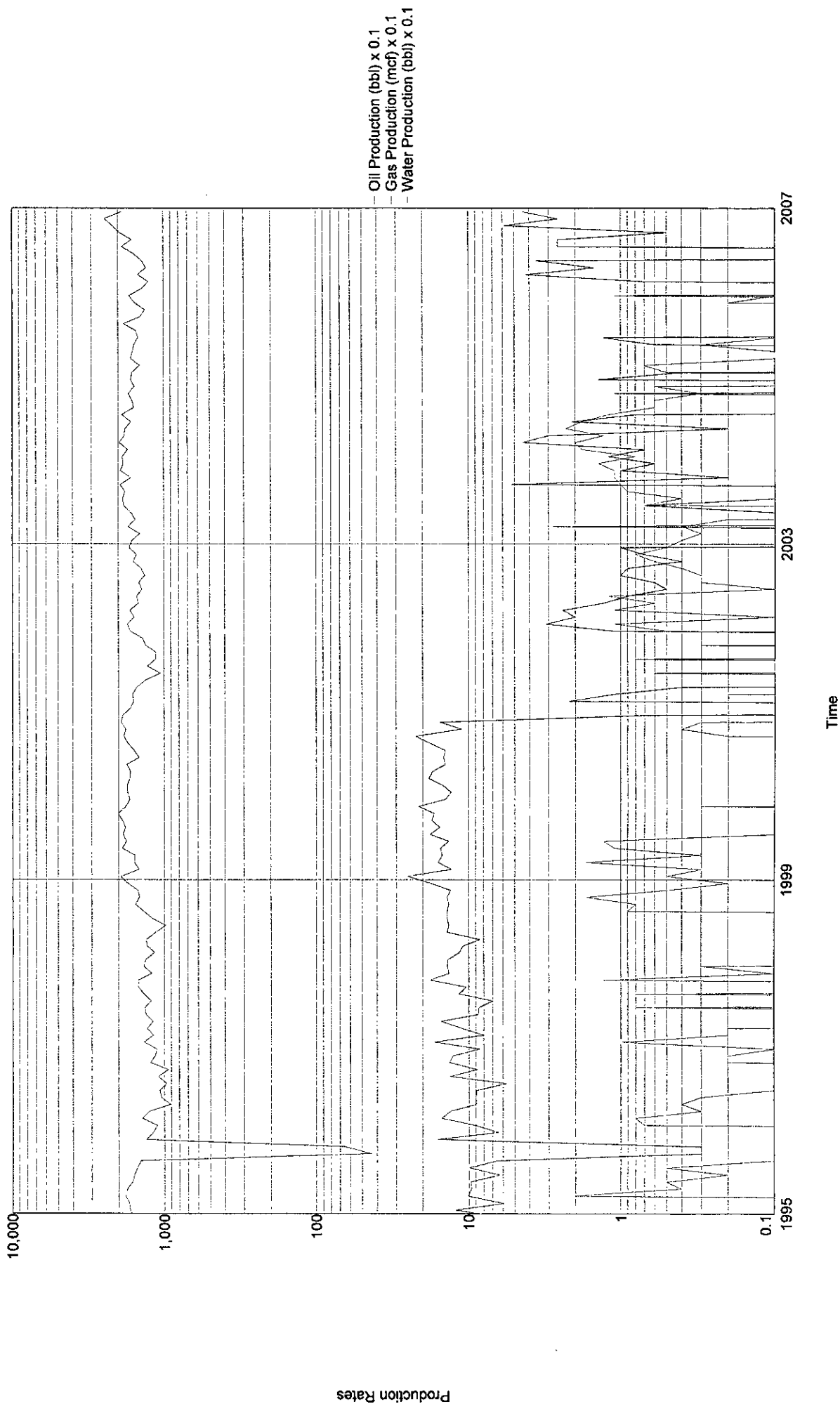
Lease Name: BLANCO
County, State: SAN JUAN, NM
Operator: FOUR STAR OIL & GAS COMPANY
Field: BLANCO
Reservoir: MESAVERDE
Location: 12 27N 9W W2 NE SE

BLANCO 2A BLANCO MESAVERDE



Lease Name: MULTIPLE
County, State: SAN JUAN, NM
Operator: MULTIPLE
Field: OTERO
Reservoir: CHACRA
Location:

OTERO CHACRA



1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-24526		² Pool Code s 72319/82839		³ Pool Names Blanco-Mesaverde/Otero Chacra	
⁴ Property Code 17659		⁵ Property Name Blanco			⁶ Well Number 2-A
⁷ OGRID No. 131994		⁸ Operator Name Four Star Oil & Gas Company			⁹ Elevation 5,934' GR

¹⁰ Surface Location

UL or lot no. I	Section 12	Township 27-N	Range 9-W	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1250	East/West line East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160 (SE/4)-CH 320 (E/2)-MV		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Alan W. Bohling
Signature

Alan W. Bohling
Printed Name

Regulatory Agent ABohling@chevron.com

Title and E-mail Address

06/06/2007

Date

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number