

*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

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| WELL API NO. 30-045-09046 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. E-5316 |
| 7. Lease Name or Unit Agreement Name New Mexico Com B (17712) |
| 8. Well Number 1 |
| 9. OGRID Number 131994 |
| 10. Pool name or Wildcat Basin Fruitland Coal/Blanco P.C. |

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| 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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | |
| 2. Name of Operator Four Star Oil & Gas Company | |
| 3. Address of Operator 11111 S. Wilcrest Houston, Texas 77099 | |
| 4. Well Location Unit Letter <u>D</u> : <u>990</u> feet from the <u>North</u> line and <u>1090</u> feet from the <u>West</u> line Section <u>36</u> Township <u>30-N</u> Range <u>10-W</u> NMPM San Juan County | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5,956' GR</u> | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | |
| 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: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input checked="" type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | | OTHER: For Records-Recomplete in FLC & DHC w/ PC <input checked="" type="checkbox"/> | |

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.

Due to personnel and internal process changes, Four Star Oil & Gas Company sincerely apologizes for this oversight and respectfully submits this late filing of C-103 (and associated Forms C-104 & C-105) for your approval and to bring well into compliance. This well was originally completed in the Blanco Pictured Cliffs Pool. Now, we have pulled the production string, re-perforated and fracture treated the Pictured Cliffs zone f/ 2508'-2542', perforated lower Fruitland Coal f/ 2468'-2480' & @ 2498' and fractured treated, then perforated and fracture treated the upper Fruitland Coal f/ 2307'-2418', DO & CO CBP's and fill to TD of 2600', ran single tubing string and returned to producing at approved allocation rates (DHC 1457 AZ, 4/05/2004) per the following, and attached, procedure

22-Dec-06, MIRU KEY RIG #154 & RIG EQUIPMENT

28-Dec-06, SICIP 200 PSI. SITP 200 PSI BLED WELL DOWN TO RIG PIT ND WH. NU BOP'S. RU RIG FLOOR, SLIPS & TBG TONGS. TOOH & LD W/ 83 JTS 2-3/8" TBG PU & TIH W/ 3-3/4" BIT, BIT SUB, 4-1/2" CASING SCRAPER & 80 JTS 2-3/8" TBG TAGGED AT 2,532' TOOH W/ SAME PU & TIH W/ 4-1/2" RBP & 78 JTS 2-3/8" TBG SET RBP @ 2,495' TOOH & LD 2 JTS 2-3/8" TBG PU & TIH W/ 4-1/2" PKR LOAD CSG W/ 36 BBLs 2% KCL WATER SET PKR AT 25' PRESS TEST CSG TO 3,000 PSI FOR 30 MIN TESTED OK RELEASED PSI RELEASED PKR. TOOH W/ 1 JT 2-3/8" TBG & 4-1/2" PKR BREAK CIRC W/ AIR FOAM UNIT UNLOAD FLUID OUT OF CSG TIH W/ 2 JTS 2-3/8" TBG RELEASED 4-1/2" RBP

29-Dec-06, TIH W/ NOTCHED COLLAR & CO WELL, SICIP 120 PSI. BLED DOWN TO FLOWBACK TANK TOOH W/ 78 JTS 2-3/8" TBG & 4-1/2" RBP TIH W/ NOTCHED COLLAR & 80 JTS 2-3/8" TBG TAGGED FILL AT 2,532' BREAK CIRC W/ AIR FOAM UNIT CO CSG F/ 2532' - 2,557', (PBSD) SD AIR TOOH W/ 78 JTS 2-3/8" TBG & NOTCHED COLLAR.

(Please see attached Continuation Pages 2 & 3 along with Wellbore Diagram)

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 06/18/2007

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

For State Use Only

APPROVED BY: A. Villanueva TITLE Deputy Oil & Gas Inspector, District #3 DATE 6/27/07
Conditions of Approval (if any):

New Mexico Com B # 1

(API # 30-045-09046)

990' FNL & 1090' FWL

UL D, Sec. 36, T-30-N, R-10-W

San Juan County, New Mexico

2-Jan-07, SICIP 200 PSI. BLED DOWN TO FLOW BACK TANK MIRU SCHLUMBERGER WLU RIH W/ CCL & CBL TOOL F/ 2,550' TO SURFACE. SHOWED GOOD BOND REPERF THE PICTURED CLIFF FORMATION F/ 2,508' - 2,542' @ 2 SPF USING 3-3/8" HSD CARRIER & POWERJET 3406 CHARGES. RDMO SCHLUMBERGER WLU TIH W/ NOTCHED COLLAR & 80 JTS 2-3/8" TBG TAGGED AT 2,557' (PBTB) BREAK CIRC W/ AIR FOAM UNIT SD AIR. PUIC ABOVE PERFORATIONS WITH 12 JTS 2-3/8" TBG

3-Jan-07, SICIP 180 PSI BLED DOWN TO FLOWBACK TANK TIH W/ 12 JTS 2-3/8" TBG TAGGED AT 2,557' (PBTB) BREAK CIRC W/ AIR FOAM UNIT TOO H W/ 80 JTS 2-3/8" TBG & NOTCHED COLLAR, TIH W/ 4-1/2" RBP & 78 JTS 2-3/8" TBG SET RBP @ 2,495' LOAD CSG W/ 2% KCL WATER & CIRC CLEAN TOO H W/ 78 JTS 2-3/8" TBG & RETRIEVING HEAD MIRU SCHLUMBERGER WLU RIH W/ BOND LOG TOOL & LOG F/ 2,490' TO SURFACE IN 1 PASS. RDMO WLU TIH W/ RETRIEVING HEAD & 78 JTS 2-3/8" TBG BREAK CIRC W/ AIR FOAM UNIT & BLOW CSG DOWN ENGAGE & RELEASE RBP TOO H W/ 78 JTS 2-3/8" TBG & 4-1/2" RBP

4-Jan -07, MIRU HALLIBURTON FRAC & NITROGEN EQUIP. POP-OFF SET FOR 2,800 PSI & TIED IN TO FLOWBACK TANK PRESS TEST SURFACE TREATING LINES TO 4200 PSI TESTED OK. RELEASED PSI OWU LOAD & BROKE DOWN THE FORMATION W/ GELLED FLUID, PUMPED 1,000 GALS. 15% HCL, FRACED THE PICTURE CLIFF FORMATION W/ 70Q FOAM W/ AVG BH FOAM RATE OF 27.5 BPM & AVG WH TREATING PRESS OF 1,143 PSI FLUSHED W/ 1,586 GALS OF 55Q FOAM PLACED 1,060 SACKS OF 16/30 BRADY SAND COATED W/ SANDWEDGE NT IN THE FORMATION. 555 BBLs LOAD WATER TO RECOVER ISIP 1,300 PSI 5 MIN 1,153 PSI 10 MIN 1,107 PSI 15 MIN 1,071 PSI SWI, RDMO HALLIBURTON FRAC EQUIPMENT RU FLOWBACK LINES FROM TOP OF ISOLATION TOOL TO CHOKE MANIFOLD & FLOWBACK TANK SICIP 930 PSI OWU TO CHOKE MANIFOLD CHECK FOR LEAKS LINES HOLDING PRESSURE OWU TO CHOKE MANIFOLD & FLOWBACK TANK ON 1/2" CHOKE WELL BLEW DOWN TO 0 PSI IN 30 MIN OPENED BOTH ADJUSTABLE CHOKES TO FULL OPEN WELL FLOWING CLOSE CHOKES BACK TO 1-1/2" CHOKE. PRESSURE ROSE TO 310 PSI WELL FLOWING APPROX 30 BBLs LOAD WATER/HR SWI SICIP 280 PSI

5-Jan-07, SICIP 380 PSI, RDMO STINGER WH ISOLATION TOOL RU FLOW LINE F/ CSG VALVE TO CHOKE MANIFOLD OWU ON 1-1/2" CHOKE FLOWING PRESS 380 PSI FLOWED WELL FOR 4-1/2 HRS, PRESS DROPPED F/175 PSI -25PSI, RECOVERED 61 BLW. OPENED UP 2ND 1/2" CHOKE PRESS ROSE TO 40 PSI FLOWED WELL FOR 1-1/2 HRS, PRESS STEADY @ 25 PSI, RECOVERED ADDITIONAL 25 BLW (86 BBLs RECOVERED.)

8-Jan-07, SICIP 300 PSI REMOVE CHOKE MANIFOLD. RU 2 -3" LINES TO FLOWBACK TANK BLED DOWN WELL TO FLOWBACK TANK TIH W/ NOTCHED COLLAR, STRING FLOAT & 80 JTS 2-3/8" TBG TAGGED AT 2,550' (7' OF FILL). BREAK CIRC W/ AIR FOAM UNIT CO F/ 2,550' TO 2,557' RECOVERED 25 BBLs LOAD WATER PUIC ABOVE PERFORATIONS W/ 12 JTS 2-3/8" TBG SWI

9-Jan-07, SICIP 220 PSI BLED DOWN TO FLOWBACK TANK TIH W/ 12 JTS 2-3/8" TBG TAGGED FILL AT 2,555' 2' OF FILL BREAK CIRC W/ AIR FOAM UNIT SD AIR PUIC ABOVE PERFORATIONS W/ 12 JTS 2-3/8" TBG

10-Jan-07, SICIP 220 PSI BLED DOWN TO FLOWBACK TANK TIH W/ 12 JTS 2-3/8" TBG TAGGED AT 2,557' NO FILL, BREAK CIRC W/ AIR FOAM UNIT. SD AIR TOO H W/ 80 JTS 2-3/8" TBG, STRING FLOAT & NOTCHED COLLAR MIRU SCHLUMBERGER WLU RIH W/ 4-1/2" CBP SET CBP AT 2,506'. POOH W/ WL LOAD CSG W/ 2% KCL WATER PRESS TEST CBP TO 1500 PSI FOR 15 MINUTES TESTED OK RELEASED PSI RIH W/ 3-3/8" PERFORATING GUN PERF 4-1/2" CSG AT 2,498' W/ 2 SPF & F/ 2,468' - 2,480' W/ 2 SPF ALL PERFS SHOT W/ HSD POWERJET CHARGES ON 120 DEGREE PHASING POOH W/ WL RDMO WLU MIRU STINGER WH ISOLATION TOOL

11-Jan-07, MIRU HALLIBURTON FRAC & NITROGEN EQUIP PRESS TEST FRAC LINES TO 4,000 PSI TESTED OK RELEASED PSI OWU SICIP 0 PSI. LOAD & BREAK DOWN PERFS PERFS BROKE DOWN AT 1,194 PSI SWITCHED TO ACID PUMPED 1,000 GALS 15% HCL ACID, STARTED PAD PLACED 36,200 #16/30 BRADY SAND COATED W/ SAND WEDGE NT IN THE FORMATION, SCREENED OUT ON 3# SAND STAGE SCREEN OUT PRESS OF 3,313 PSI SD SWI FLUSHED SAND F/ PUMPS TO FLOWBACK TANK ATTEMPTED TO FLUSH CSG W/ FLUID FLUSHED W/ 468 GALS REACHED 2,800 PSI SHUT DOWN, SWI. FLUID TO RECOVER 394 BBLs, RIG DOWN HALLIBURTON RU CHOKE MANIFOLD SICIP 2,800 PSI, OWU ON TWO 1/4" CHOKES. PRESS BLED DOWN TO 550 PSI FLOWING IN 30 MIN RECOVERED 50 BLW IN 2 HOURS

12-Jan-07, FLOWBACK REPORT. 11 JAN 2007- FLOWED WELL FOR ~12 HRS, PRESS DROPPED F/650PSI - 400PSI, 120 TOTAL BLW RECOVERED SWI RDMO STINGER WH ISOLATION TOOL RDMO CHOKE MANIFOLD RU 2-3" LINES TO FLOWBACK TANK. SICIP 400 PSI OWU TO FLOWBACK TANK TIH W/ NOTCHED COLLAR, STRING FLOAT & 79 JTS 2-3/8" TBG TAGGED AT 2,496' 10' OF FILL BREAK CIRC W/ AIR FOAM UNIT CO FILL F/ 2,496' TO 2,506' TOO H W/ 79 JTS 2-3/8" TBG, STRING FLOAT & NOTCHED COLLAR. MIRU SCHLUMBERGER WLU, RIH W/ 4-1/2" GUAGE RING TO 2,450', POOH W/ GUAGE RING, RIH W/ 4-1/2" CBP SET CBP @ 2,434' POOH W/ SETTING TOOL LOAD CSG W/ 2% KCL WATER PRESS TEST CBP TO 1,000 PSI FOR 15 MINUTES TESTED OK RELEASED PSI RIH W/ PERFORATING GUNS PERFORATE UPPER FRUITLAND COAL FORMATION F/ 2,416' -2,418', 2,402' -2,404', 2,384' -2,396', 2,361' -2,363', 2,354' -2,356', 2,348', 2,343' & 2,307'. ALL PERFS 2 SPF USING HSD 3406 POWER JET CHARGES ON 120 DEGREE PHASING (46-50" HOLES) POOH W/ PERFORATING GUNS. RDMO WLU

New Mexico Com B # 1

(API # 30-045-09046)

990' FNL & 1090' FWL

UL D, Sec. 36, T-30-N, R-10-W

San Juan County, New Mexico

13-Jan-07, MIRU STINGER ISOLATION TOOL, HALLIBURTON FRAC EQUIP & NITROGEN EQUIP
PRESS TEST TREATING LINES TO 4,200 PSI FOR 5 MINUTES TESTED OK RELEASED PRESS
OWU SICIP 5 PSI LOAD & BREAK FORMATION AT 1,386 PSI & 10 BBLS FLUID SWITCHED TO ACID & PUMPED 1 000
GALS 15% HCL @ 645 PSI STARTED PRE-PAD 1900 PSI @ 40 BPM BOTTOM HOLE FOAM RATE START PAD 2,050 PSI
@ 40 BPM 1/2# SAND -1,867 PSI-39 BPM. 14 SAND -1,860 PSI-39 BPM 24 SAND - 1 838 PSI-40 8PM 34 SAND -1,872 PSI-40
BPM CUT SAND & FOAM PLUSH (ISIP -2451) (5 MIN -1,701 PSI) (10 MIN -1,665 PSI) (15 MIN -1,660 PSI). SWI PLACED
74,137# 16/30 BRADY SAND IN THE FORMATON 594 BBLS LOAD WATER RDMO HALLIBURTON FRAC EQUIPMENT
RU CHOKE MANIFOLD SICIP 1,600 PSI. OWU ON 1-1/2" CHOKE

14-Jan-07, FLOWBACK 13-JAN-07 OWU @ 14:00 W/ 1,600 PSI BLED TO 1,200 PSI & STARTED FLOWING FLUID
FLOWED F/ 2PM - 7AM, PRESS DROPPED F/850PSI - 150PSI, 145 BLW RECOVERED RDMO STINGER WELLHEAD
ISOLATION TOOL PU & TIH W/ 3-3/4" BIT, BIT SUB, 4-2-1/2" DRILL COLLARS, XO & 72 JTS 2-3/8" TBG TAGGED AT
2,424' 10' OF FILL RU 2.5 POWER SWIVEL BREAK CIRC W/ AIR FOAM UNIT CO FRAC SAND F/ 2,424' TO 2,434' DO
CBP AT 2,434' CIRC CSG CLEAN SHUT DOWN AIR. RD 2 5 POWER SWIVEL TIH W/ 3 JTS 2-3/8" TBG RU 2 5 POWER
SWIVEL, BREAK CIRC W/ AIR FOAM UNIT DO CBP AT 2,506', CIRC CSG CLEAN PUIC ABOVE PERFORATIONS

15-Jan-07, SIC 320 PSI BLED DOWN TO FLOWBACK TANK. TIH W/ 10 ITS 2-3/8" TBG
RU 2.5 POWER SWIVEL BREAK CIRC W/ AIR FOAM UNIT DO SHOE TRACK FROM 2,557' TO 2,600' CIRC CSG
CLEAN SHUT DOWN AIR. RD 2 5 POWER SWIVEL TOO H W/ 78 JTS 2-3/8" TBG LD XO, 4-2-1/2" DRILL COLLARS, BIT
SUB W/ STRING FLOAT & 3-3/4" BIT. TIH W/ COLLAR & 82 JTS 2-3/8" TBG, BREAK CIRC W/ AIR FOAM UNIT CO TO
PBTD @ 2,600' PUIC ABOVE PERFORATIONS W/ 20JTS 2-3/8" TBG

16-Jan-07, SICIP 280 PSI, BLED DOWN TO FLOWBACK TANK MIRU PHOENIX SERVICES SLICKLINE UNIT &
PROTECHNICS RIH W/ GUAGE RING TO 2,300'. POOH W/ GUAGE RING. RIH W/ PRODUCTION LOGGING TOOL F/
2,600' TO 2,000' POOH. RDMO SLU & PROTECHNICS EQUIPMENT TOO H W/ TBG, TIH W/ NOTCHED COLLAR,
STRING FLOAT & 82 JTS 2-3/8" TBG BREAK CIRC W/ AIR FOAM UNIT SHUT DOWN AIR PUIC ABOVE
PERFORATIONS W/ 20 JTS 2-3/8" TBG SWI. SDFN

17-Jan-07, SICIP 280 PSI. BLED DOWN TO FLOWBACK TANK TIH W/ 20 JTS 2-3/8" TBG. TAGGED AT 2,600' NO FILL
TOOH W/2 JTS 2-3/8" TBG, STRING FLOAT & NOTCHED COLLAR. TIH W/ 2-3/8" X 14' MULE SHOE, SN 78 JTS 2-3/8",
4 7#, J-55, EUE NEW TBG 2- 2-3/8" X 10' TBG SUBS & 1 JT 2-3/8", 4.7#, J-55, EUE TBG LAND TBG AS FOLLOWS, EOT AT
2,569' SN @ 2,555' WELL FLOWING UP CSG W/ MODERATE AMOUNTS OP WATER RD POWER TONGS & RIG
FLOOR ND BOP'S NU WH. PU & LOADED W/ 2' X 1-1/4" X 6" X 8" X 11' RHAC-Z PUMP TIH W/ PUMP, 7/8" X 3 4'
STABILIZER BAR, 10 1-1/4' SINKER BARS, 9 1- 3/4" NORRIS GRADE 'D' RODS, 1 3/4' X 2' PONY ROD & 1-1/4" X 16'
POLISHED ROD. PRESS TEST TBG TO 500 PSI FOR 15 MIN, TESTED OK. RELEASED PSI LONG STROKED PUMP W/
RIG GOOD PUMP ACTION SET DOWN ROD STRING CLAMPED OFF RODS RDMO KEY RIG #154 & HIGH TECH AIR
FOAM UNIT WAITING ON INSTALLATION & UPGRADE OF SURFACE PRODUCTION EQUIPMENT