

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
☐ Oil Well ☒ Gas Well ☐ Other

NOV 02 2007

2 Name of Operator
FOUR STAR OIL & GAS COMPNAV

Bureau of Land Management
Farmington Field Office
(include area code)
(281) 561-3599

3a Address
PO BOX 36366, HOUSTON, TX 77236

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

700' FSL & 1900' FEL / O SEC 1 T27N R9W

5 Lease Serial No

I-149-IND-8463

6 If Indian, Allottee, or Tribe Name

ALOTTEE

7 If Unit or CA Agreement Name and/or No

RCVD NOV 6 '07

8 Well Name and No

OIL CONS. DIV.

BLANCO

DIST. 3

9 API Well No

30-045-30204

10 Field and Pool, or Exploratory Area

BLANCO MESAVERDE

11 County or Parish, State

SAN JUAN, NM

12 CHECK APPROPRIATE BOX(S) 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

☐ Subsequent Report

☐ Altering Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Application for DHC

☐ Change Plans

☐ Plug and abandon

☐ Temporarily Abandon

in Otero-Chacra & Blanco-Mesaverde

☐ 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 recomplate 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 recompletion 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 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 Otero-Chacra (82329) and the Blanco Mesaverde (72319) pool within the same wellbore of the Blanco #1A. Both of these pools are included in the pre-approved pools for downhole commingling established by the NMOC 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 the Otero-Chacra pool, the RIH with tubing string, and Downhole Commingle produce both pools within this wellbore. This well will be allocated by the subtraction method.

Please see the attached documents for additional information. Should you have any questions or require additional information, please feel free to contact us at any time.

This form's concurrent DHC Application is being made with the NMICD, Aztec Office, on form C-103, on this same date

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Jennifer Hudgens

Title

Regulatory Technician

Signature

Date

31-Oct-07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

NOV 05 2007

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 USC Section 1001 AND Title 43 USC 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.



Blanco 1A

San Juan County, New Mexico

Current Well Schematic

API: 30-045-30204
Legals: Sec 1 - T 27N - R 9W
Field: Blanco

KB 12'
KB Elev 5905'
GR Elev 5893'

Surface Casing:
8-5/8" 32# J-55 Set @ 335' in 12-1/4" hole
Cmt'd with 280 sks Class G
TOC = 0' (Circ 22 bbls to surface)

Hole isolated on 8-23-2007
3091' - 3124'
Took full returns thru bradenhead
@ 2 bpm, 500 psi

CBP @ 3225'

Mesaverde Perforations:
3916' - 3918' Stage 2: Perf 2 SPF
3934' - 3936' Foam frac w/ 732mcf N2
3952' - 3954' & 113,243# 20/40 Brady Sand
3988' - 3990' & 250# of propnet
4018' - 4022'
4052' - 4054'
4101' - 4103'

4164' - 4166' Stage 1: Perf 2 SPF
4203' - 4205' Foam frac w/ 749mcf N2
4302' - 4304' & 105,334# 20/40 Brady Sand
4338' - 4342'
4384' - 4386'
4478' - 4480'

PBTD = 4538'

TD = 4587'

Prod Csg:
5-1/2" 15.5# J-55 Set @ 4585' in 7-7/8" hole
Cmt'd with 630 sks 9.5ppg LiteCrete Cmt; Lost returns
TOC = ~1800' based on CBL



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

Blanco #1A
San Juan County, New Mexico
Blanco Field
Sec 1 – T 27N – R 9W
API: 30-045-30204

SCOPE: **Repair casing leak; acidize the MV; Frac Chacra; return well to production.**

Procedure

1. MIRU workover rig. Verify space and location of frac tanks with Service Company.
2. Check well pressures and bleed down. Kill well if necessary with 2% KCl. Check bradenhead for pressure and bleed down if necessary.
3. ND Wellhead. NU BOP and pressure test. RU 2-3" flowback lines and ½" choke to flowback tank(s).
4. Receive new 2-3/8" 4.7# J-55 tbg and use as workstring. PU 5-1/2" 15.5# squeeze packer. RIH w/ 2-3/8" workstring and set just packer 2800' (leak identified @ 3091' – 3124').
5. Pump 10 bbls of fresh water. Mix and pump 500 sks of Class H neat cement @ 15.6 ppg, 1.18 yield. Displace cement with fresh water to below packer and shut down. Hesitate in cement every ¼ bbls incremental as needed.
6. Release packer and POOH.
7. RIH with 4-3/4" cement bit, bit sub and DC's on 2-3/8" workstring. Tag top of cement, test casing to 500 psi. RU power swivel and start drilling out cement. Circulate hole clean and test csg to 500 psi. DO NOT drill up the CBPRIH w/ GR/CCL/CBL and log from 3150' to surface.
8. PU 4-5/8" bit, bit sub, 2-3/8" workstring. RIH, drill up **CBP @ 3225'** and circulate out to PBTD @ 4538'. Circulate hole clean and POOH with workstring.
9. RIH w/ 2-3/8" workstring and treating Packer and prepare to acidize the Mesaverde perforations. Set packer @ +/-3850'.
10. MIRU acid service provider.
11. Pump 2000 gals acid with +/- 90 ball sealers (75 on original) as per service company recommendation on the Mesaverde perforations: 3916' – 4480'; 30' of perforations; 2 SPF; 60 holes.



12. Release packer and POOH w/ workstring and packer. RD and knock balls off of perforations with packer.
13. Flowback acid immediately if possible until pressure bleeds down. RU wireline services. Install lubricator & test.
14. PU CBP and set @ 3225'.
15. Fill well with water.
16. Perforate the Chacra formation as follows: 3 1/8" HEGS, 2spf, 180 deg phasing
2972' - 2976', 2998' - 3002', 3118' - 3124', 3129' - 3136', 3141' - 3144'
17. RU Wellhead Isolation Tool. MIRU frac equipment.
18. Perform fracture treatment on Chacra as described by service company procedure.
19. RD frac equipment.
20. PU bit, bit sub, 2-3/8" workstring. RIH and tag fill. RU power swivel. Circulate and cleanout frac sand and drill up CBP @ 3225'.
21. Continue cleaning out to PBTD @ 4538'. POOH.
22. PU 2-3/8" production tubing string and land production tubing with EOT @ +/- 4321'.
23. ND BOPS. NU wellhead.
24. Set up for plunger lift.
25. RD WO rig and MOL.

Summary Calculation Sheet for Proposed Allocation Percentages for Commingled Production Blanco #1A Well (API # 30-045-30204)

AVERAGE OF CHACRA IP PRODUCTION IN AREA OF BLANCO #1A WELL

Primary API	Lease Name	Well	Operator	UL	SEC	TWN	RNG	Status	Prod Zone	Oil - bbl/d	IP Gas - mcf/d	Wtr	bbl/d
300452153200	BLANCO	25	FOUR STAR OIL & GAS COMPANY	E	12	27N	9W	ACT	CHACRA	0 00	170		0 00
300450677300	BURROUGHS COM B	4	FOUR STAR OIL & GAS COMPANY	M	2	27N	9W	ACT	CHACRA	0 00	100		0 00
300452152300	HANCOCK	7	BURLINGTON RESOURCES O&G CO LP		35	28N	9W	ACT	CHACRA	0 00	103		0 00
300452156300	HANCOCK A	10	BURLINGTON RESOURCES O&G CO LP		35	28N	9W	ACT	CHACRA	0 00	233		0 00
300452153300	JAQUES COM	1	FOUR STAR OIL & GAS COMPANY	O	2	27N	9W	ACT	CHACRA	0 00	170		0 00
300452279500	NAVAJO ALLOTTED GAS COM B	1A	BP AMERICA PRODTN CO		36	27N	9W	ACT	CHACRA	0 73	304		2 94
300450699100	NAVAJO ALLOTTED GC B	1	BP AMERICA PRODTN CO		36	27N	9W	ACT	CHACRA	1 07	310		4 35
300452267200	NELLIE PLATERO	5-A	FOUR STAR OIL & GAS COMPANY	I	11	27N	9W	ACT	CHACRA	0 00	180		1 00
300452362700	NELLIE PLATERO	6	FOUR STAR OIL & GAS COMPANY	L	11	27N	9W	ACT	CHACRA	0 00	140		0 10
300452458300	SCHWERDTFEGER A	3E	XTO ENERGY INCORPORATED	L	6	27N	8W	ACT	CHACRA	0 00	125		0 00
300453105100	SCHWERDTFEGER A	3F	XTO ENERGY INCORPORATED	F	6	27N	8W	ACT	CHACRA	0 00	75		0 00
300453105200	SCHWERDTFEGER A	5F	XTO ENERGY INCORPORATED	I	6	27N	8W	ACT	CHACRA	0 00	90		0 00
300450703700	SCHWERDTFEGER A LS	9	BP AMERICA PRODTN CO		31	28N	8W	ACT	CHACRA	0 07	84		0 00
300452655900	SCHWERDTFEGER A LS	10A	BP AMERICA PRODTN CO		31	28N	8W	ACT	CHACRA	0 10	225		0 00
300452663600	SCHWERDTFEGER A LS	9A	BP AMERICA PRODTN CO		31	28N	8W	ACT	CHACRA	0 19	232		0 00
300452668300	SCHWERDTFEGER A LS	1A	BP AMERICA PRODTN CO		36	28N	9W	ACT	CHACRA	0 00	248		0 00
300452532200	STOREY C	2M	BP AMERICA PRODTN CO		35	28N	9W	ACT	CHACRA	0 00	85		0 00
300452093200	TURNER-HUGHES	18	BURLINGTON RESOURCES O&G CO LP		11	27N	9W	INACT	CHACRA	0 00	195		0 00

Average Chacra IP:	0.12	170	0.47
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AVERAGE OF MESAVERDE PRODUCTION FROM BLANCO #1A WELL

								Date	Oil - bbl/d	Gas - mcf/d	Wtr	bbl/d
300453020400	BLANCO	1A	FOUR STAR OIL & GAS COMPANY	1	27N	9W	ACT	MESAVERDE	3/31/07	0 00	70	0 42
									4/30/07	0 00	63	1 87
									5/31/07	0 00	68	0 13
									6/30/07	0 22	80	0 13
									7/31/07	0 04	86	0 20
									8/31/07	0 00	38	0 25

Average Mesaverde:	0.04	67	0.50
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PROPOSED DHC ALLOCATION PERCENTAGES FOR BLANCO #1A WELL

	OIL	GAS	WTR
CHACRA	73%	72%	48%
MESAVERDE	27%	28%	52%