

# RECEIVED

Form 3160-5  
(February 2005)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**Bureau of Land Management  
Farmington Field Office**

APR 04 2009

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		6 If Indian, Allottee or Tribe Name Eastern Navajo
2 Name of Operator Four Star Oil & Gas Company (131994)		7 If Unit or CA/Agreement, Name and/or No
3a Address 15 Smith Road, Midland, Texas 79705	3b Phone No (include area code) 432-687-7158	8 Well Name and No. John Charles #6C
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 1970 FNL & 2450 FEL SWNE, UL G, Sec. 13, T-27-N, R-09-W		9 API Well No 30-045-30604-00-01
		10 Field and Pool, or Exploratory Area Blanco-Mesaverde (72319)
		11 County or Parish, State San Juan County, NM

### 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 <b>Records Compliance-</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>Response to INC dtd.</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<b>3/10/2009 (attached)</b>

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 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.)

This Sundry Subsequent Report is being submitted to correct an Incident of Noncompliance dated 3/10/2009 and per instructions received in a phone conversation and via e-mail correspondence on March 31, 2009 with Mr. Lester Jaramillo of BLM Office in Farmington.

Please find attached a copy of NMOCD Form C-135 that indicates pipeline connection and First Delivery to El Paso Field Services was executed on 12/17/2002. Review of BLM Completion Records (3160-4) shows that this well was Completed on 08/20/2002. The principal reason for the delay of pipeline connection and initial production was due to NMOCD required Non-Standard Location (NSL) Permit Application and Approval (Administrative Order NSL-4814, Approved on 12/02/2002), copy attached, prior to producing this well.

Your acceptance and approval of above and attached information, and the signed returned original Notice of Incidence of Noncompliance, should correct deficiencies in this well's records thus bringing this well back into full compliance.

**RCVD APR 9 '09**  
**OIL CONS. DIV.**  
**DIST. 3**

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Alan W. Bohling		Title Regulatory Agent
Signature <i>Alan W. Bohling</i>		Date 04/03/2009

### THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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 _____		

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**

*8*

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13* - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment, data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

## NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application

**AUTHORITY:** 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160...

**PRINCIPAL PURPOSE:** The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan, (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used

**ROUTINE USES:** Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government

**EFFECT OF NOT PROVIDING THE INFORMATION:** Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4...

The Paperwork Reduction Act of 1995 requires us to inform you that.

BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

- Response to this request is mandatory.

- BLM would like you to know that you do not have to respond to this or any other Federal agency sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401, L.S., Washington D.C. 20240

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-135  
Revised March 17, 1999

See Filing Instructions  
at Bottom of Page

**GAS WELL CONNECTION, RECONNECTION, OR DISCONNECTION NOTICE**

This is to notify the Oil Conservation Division of the following

Connection X First Delivery 12-17-02 10:00 AM  
Date Initial Potential

Reconnection \_\_\_\_\_ First Delivery \_\_\_\_\_  
Date Initial Potential

Disconnection \_\_\_\_\_  
Date

for delivery of gas from the FOUR STAR OIL AND GAS  
Operator

JOHN CHARLES  
Lease

98-514-01 BC SPOT G SEC. 13 T. 27N R. 9W  
Meter Code Site Code Well No. Unit Letter S-T-R

Pool

was made on 12-17-02  
Date

AOF

1" SEAT PITCH OPEN  
Choke

OCD use only

Inty \_\_\_\_\_

Land Type \_\_\_\_\_

Liq. Transporter \_\_\_\_\_

EL PASO FIELD SERVICE  
Transporter  
Richard G. Gorte  
Signature of Transporter Representative

**FILING INSTRUCTIONS:**

Each transporter of gas from a prorated gas well shall submit this form in duplicate to the appropriate district office of the Division within 30 days following the connection, reconnection, or disconnection of a well from their gathering/transportation system, in accordance with Rule 1104, Rule 1135, and R-8170 as amended.

Printed Name and Title

Address and Telephone Number



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor  
Betty Rivera  
Cabinet Secretary

Lori Wrotenbery

Director  
Oil Conservation Division

December 2, 2002

Four Star Oil & Gas Company  
11111 S. Wilcrest  
Houston, Texas 77099  
Attention: J. Tom Schmid, Jr.  
[jats@chevrontexaco.com](mailto:jats@chevrontexaco.com)

*Administrative Order NSL-4814*

Dear Mr. Schmid:

Reference is made to your application (**administrative application reference No. pKRV0-230453465**) received by the New Mexico Oil Conservation Division ("Division") on October 28, 2002 and the Division's records in Santa Fe and Aztec; all concerning Four Star Oil & Gas Company's (Four Star) request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987, as revised, for a non-standard infill gas well location within an existing standard 320-acre gas spacing and proration unit for the Blanco-Mesaverde Prorated Gas Pool (72319), for its John Charles Well No. 6C (**API No. 30-045-30604**) drilled 1970 feet from the North line and 2450 feet from the East line, Unit G of Section 13, Township 27 North, Range 9 West, NMPM; San Juan County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included within an existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of Section 13, which is currently simultaneously dedicated to Four Star's: (i) John Charles Well No. 6 (**API No. 30-045-06545**), located at a standard gas well location 895 feet from the North line and 1030 feet from the East line, Unit A of Section 13; and (ii) John Charles Well No. 6A (**API No. 30-045-22660**), located at a standard gas well location 1850 feet from the South line and 840 feet from the East line, Unit I of Section 13.

This application has been duly filed under the provisions of: (i) Division Rule 104.F, as revised; (ii) Division Rule 605.B; and (iii) the applicable provisions of the special rules governing the Blanco-Mesaverde Pool.

This well is located 190 feet from the West edge of this standup 320-acre E/2 spacing and proration unit. Division Order R-10987-A requires wells to be located at least 660 feet from the North, South, East, or West lines of the GPU and this order is still in effect for Indian leases. It is the Division's understanding that all of Section 13 is a single Indian lease in which Four Star is the leasehold operator; therefore, there are no other affected offsets to the subject unorthodox location. It is also our understanding that this unorthodox location was necessary due to surface topography issues.

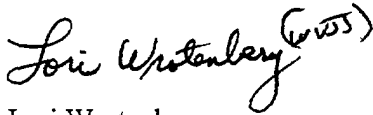
Administrative Order NSL-4814  
Four Star Oil & Gas Company  
December 2, 2002  
Page 2

---

By the authority granted me under the provisions of Division Rule 104.F (2), as revised, and the applicable provisions governing the Blanco-Mesaverde Pool; the above-described unorthodox infill Blanco-Mesaverde gas well location for Four Star's John Charles Well No. 6C drilled in Unit G of Section 13 is hereby **approved**.

Further, the aforementioned wells and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in northwest New Mexico.

Sincerely,

A handwritten signature in black ink that reads "Lori Wrotenbery" with a stylized flourish at the end.

Lori Wrotenbery  
Director

LW/wvjj

cc: New Mexico Oil Conservation Division – Aztec  
Bureau of Land Management – Farmington

☒ Certified Mail - Return Receipt Requested  
7005116000348012170

☐ Hand Delivered Received by

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**NOTICE OF INCIDENTS OF NONCOMPLIANCE**

Identification	
IID	1149IND8466*FOUR
Lease	1149IND8466
CA	
Unit	
PA	

Bureau of Land Management Office <b>FARMINGTON FIELD OFFICE</b>	Operator <b>FOUR STAR OIL GAS COMPANY</b>
Address <b>1235 LA PLATA HIGHWAY, SUITE A FARMINGTON NM 87401</b>	Address <b>11111 S WILCREST HOUSTON TX 77099</b>
Telephone <b>505.599.8900</b>	Attention
Inspector <b>JARAMILLO L</b>	Attn Addr

Site Name <b>JOHN CHARLES</b>	Well or Facility <b>6C</b>	1/4 1/4 Section <b>SWNE 13</b>	Township <b>27N</b>	Range <b>9W</b>	Meridian <b>NMP</b>	County <b>SAN JUAN</b>	State <b>NM</b>
Site Name <b>JOHN CHARLES</b>	Well or Facility <b>6C</b>	1/4 1/4 Section <b>SWNE 13</b>	Township <b>27N</b>	Range <b>9W</b>	Meridian <b>NMP</b>	County <b>SAN JUAN</b>	State <b>NM</b>

**THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE**

Date	Time (24 - hour clock)	Violation	Gravity of Violation
02/24/2009	09:00	43 CFR 3162 4-1(c),(d)	MAJOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
03/30/2009			43 CFR 3163.1()

Remarks

3162.4-1 Well records and reports.

(c) Not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well (Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title Regulatory Agent Signature Alonzo Bohling Date 4/3/2009

Company Comments Sent in BLM 3160-5 with NMOC Form C-135 - First Delivery and NMOC Admin Order NSL-4814 as explanation and attachments to bring well records per this INK back into compliance.

**WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2) All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163 2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4) Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>		Date <u>3/10/9</u>	Time <u>15:00</u>
FOR OFFICE USE ONLY			
Number <b>53</b>	Date	Assessment	Penalty
Type of Inspection <b>PI</b>	Termination		

ORIGINAL (RETURN TO ISSUING OFFICE)

BLM Remarks, continued

---

which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed.

(d) All records and reports required by this section shall be maintained for 6 years from the date they were generated. In addition, if the Secretary, or his/her designee notifies the recordholder that the Department of the Interior has initiated or is participating in an audit or investigation involving such records, the records shall be maintained until the Secretary, or his/her designee, releases the recordholder from the obligation to maintain such records.