

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 18 2010

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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 page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Four Star Oil & Gas Company (131994)

3a. Address

PO Box 730, Aztec, NM 87410 (Attention Anthony Zenos)

3b. Phone No. (include area code)

505 333-1919

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

1980' FSL, 1250' FEL NWSE Sec 12, T27N, R09W NMPM

5. Lease Serial No.  
I-149-IND-8465

6. If Indian, Allottee or Tribe Name  
Navajo - Allottee

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

8. Well Name and No.  
Blanco 2A

9. API Well No.  
30-045-24526

10. Field and Pool or Exploratory Area  
Basin-Fruitland Coal (71629)

11. Country or Parish, State  
San Juan, NM

12. CHECK THE 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 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 <u>subsurface</u> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <u>comingle allocation</u>                                  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> 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 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 recompleat 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.)

In November 2009 the above reference well was recompleated, from a downhole dual comingle to a downhole triple comingle. Production from this well is to be allocated as follows:

Completion 01 in the Mesa Verde Reservoir  
Oil -- 100% Gas -- 20% Water -- 3%

Completion 02 in the Chacra Reservoir  
Oil -- 0% Gas -- 59% Water -- 0%

Compelction 03 in the Fruitland Coal Reservoir  
Oil -- 0% Gas -- 21% Water -- 97%

RCVD OCT 25 '10  
OIL CONS. DIV.

DIST. 3

DMC 4130

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

Title Regulatory Specialist

Signature

*Anthony Zenos*

Date 10/15/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

*Joe Heritt*

Title Geo

Date 10-21-10

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.

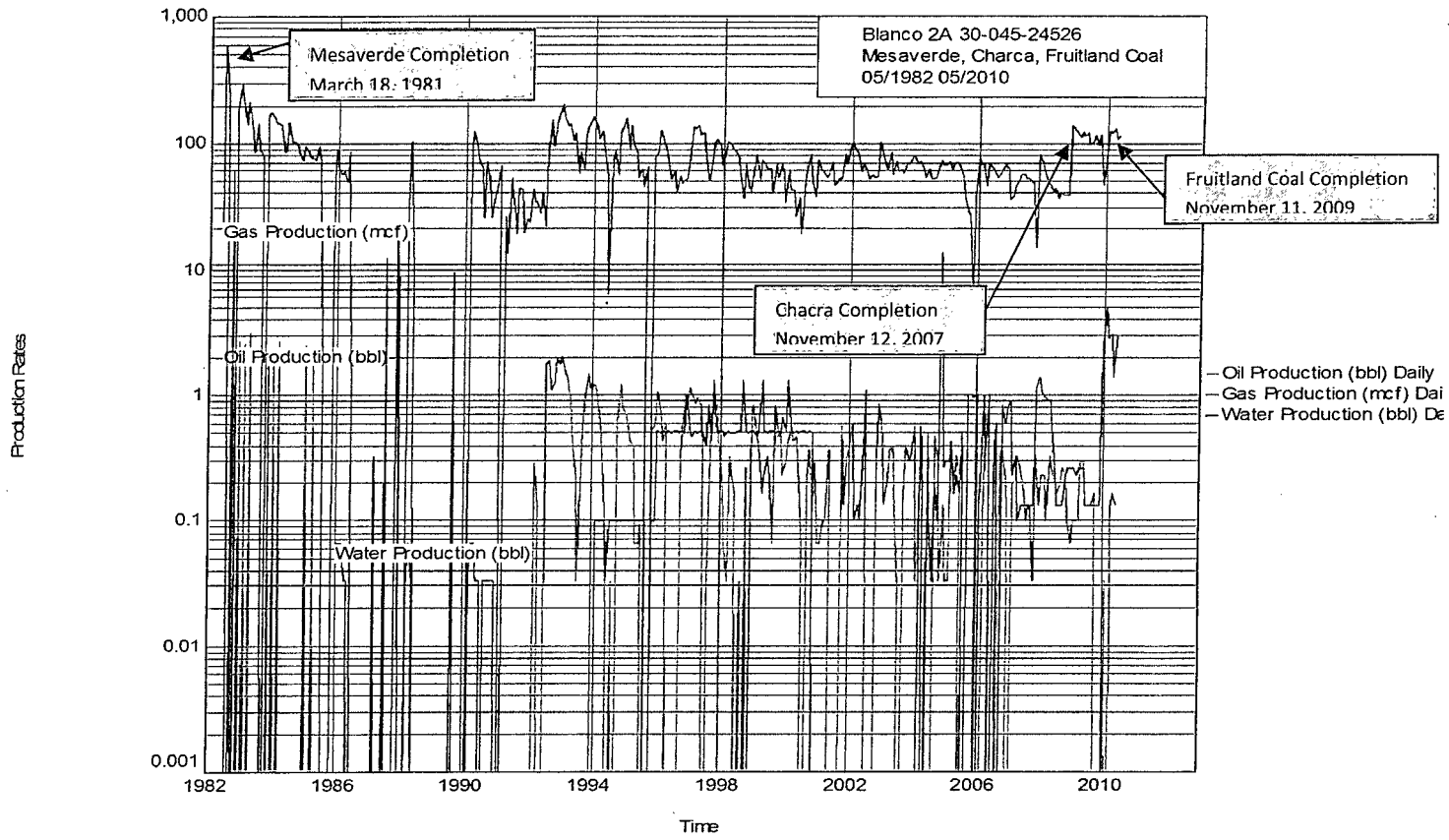
Office FFO

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)

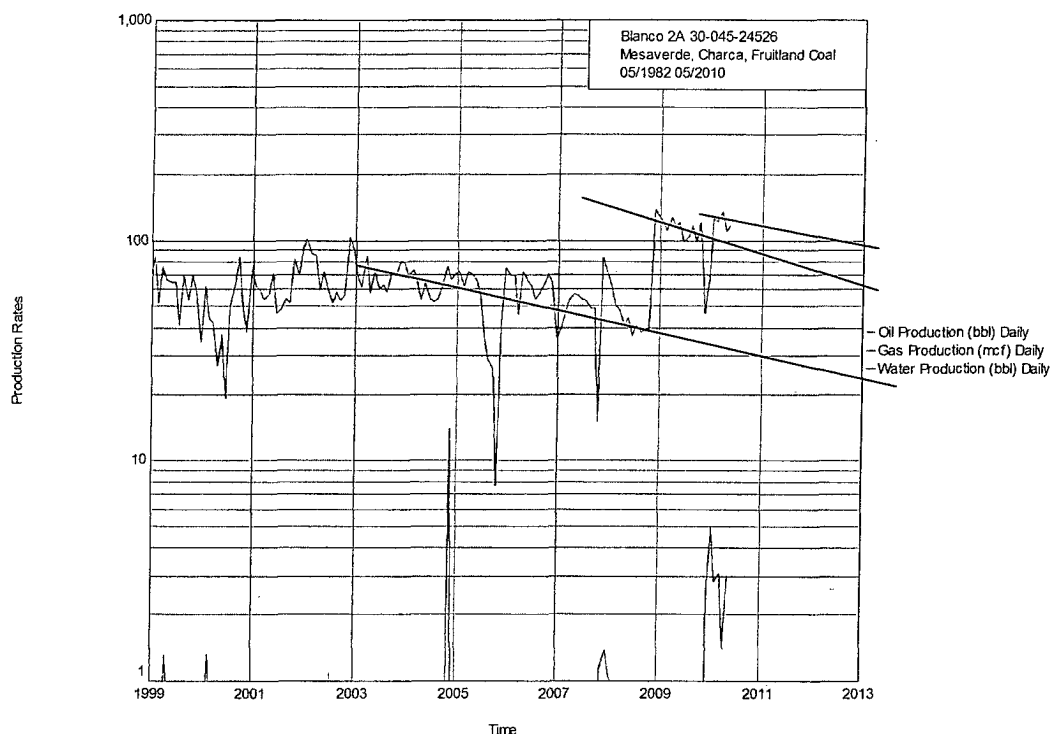
NMOCD

BLANCO FOUR STAR OIL & GAS COMPANY



| Zone of completion | Date              | Perforations |
|--------------------|-------------------|--------------|
| Mesaverde          | March 18, 1981    | 4000-4478    |
| Chacra             | November 12, 2007 | 2953-3500    |
| Fruitland Coal     | November 11, 2009 | 1895-1960    |

BLANCO FOUR STAR OIL & GAS COMPANY



### Previous Production Allocation (based upon historical MV-CH production)

|   |         |           |          |
|---|---------|-----------|----------|
| Mesaverde production before Chacra recompletion | 40 mcf  | 0.18 bopd | 0.3 bwpd |
| Production post Chacra recompletion & DHC       | 130 mcf | 0.18 bopd | 0.3 bwpd |
| Incremental Production attributed to Chacra     | 90 mcf  | 0 bopd    | 0 bwpd   |

Allocation:

|           |         |          |            |
|-----------|---------|----------|------------|
| Mesaverde | 31% gas | 100% oil | 100% water |
| Chacra    | 69% gas | 0 % oil  | 0% water   |

### Current Production Allocation Determination (MV-CH-FC)

|  |         |           |           |
|--|---------|-----------|-----------|
| MV-Chacra production prior to Fruitland recompletion | 103 mcf | 0.15 bopd | 0.15 bwpd |
| Production post Fruitland recompletion & DHC         | 130 mcf | 0.15 bopd | 5.0 bwpd  |
| Incremental production attributed to Fruitland       | 27 mcf  | 0 bopd    | 4.85 bwpd |

Current Allocation Recommendation:

|           |  |          |           |
|-----------|--|----------|-----------|
| Fruitland | Incremental volume /total post recompletion rate                         |          |           |
|           | 21% gas  | 0% oil   | 97% water |
| Mesaverde | Previous allocation*pre-recompletion rate*(1-%FC)/post recompletion rate |          |           |
|           | 20% gas  | 100% oil | 3% water  |
| Chacra    | Previous allocation*pre-recompletion rate*(1-%FC)/post recompletion rate |          |           |
|           | 59% gas  | 0% oil   | 0% water  |