DIST CTI 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II

811 South Frist, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT III

DISTRICTIV

State of New Mexico Energy, Minerals and Natural Resources

Form C-101

Revised March 25,1999

State Lease - 6 Copie

Fee Lease - 5 Copie

Instructions on back Submit to Appropriate District Offic

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe. NM 87505

AMENDED REPORT

2040 South Pacheco, Santa Fe, NM 87505 4 PGBÄCK APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN R ADD A ZONE OGRID Number Operator Name and Address AUG 2000 131994 FOUR STAR OIL AND GAS COMPANY NM 87401 API Number 3300 N. Butler Ave. Ste 100 Farmington 045-30323 ⁵ Property Name Property Code Well No. SLANE CANYON 32 - 1Surface Location Feet From The North/South Line East/West Line County UI or lot no. Section Township Range Lot.ldn 870 NORTH 1510 **EAST** San Juan T30N **R10W** 610 32 Proposed Bottom Hole Location If Different From Surface Feet From The Feet From The North/South Line East/West Line Lot.ldn County Ul or lot no. Section Township Range 10 Proposed Pool 2 9 Proposed Pool 1 Blanco Mesa Verde 15 Ground Level Elevation 11 Work Type Code WellType Code Lease Type Code Rotary or C.T. 610**x**GR ~ 19 Contractor 20 Soud Date Formation 17 Proposed Depth Multiple BEAR CAT N -4565'_ MESA VERDE Proposed Casing and Cement Program WEIGHT PER FOOT SETTING DEPTH EST. TOP SIZE OF CASING SACKS OF CEMENT SIZE OF HOLE 32# 350' ---260 SX SURFACE 12-1/4" 8-5/8 SURFACE 4565' ___ 7-7/8 5-1/2 15.5# 480 SX 22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. 22 FOUR STAR OIL AND GAS CO. PROPOSES TO DRILL THIS DEVELOPMENT WELL TO A DEPTH OF 4565'. THIS WELL WILL TEST THE **PRODUCTIVITY** 23 OF THE MESA VERDE FORMATION. IF THE WELL IS UNPRODUCTIVE, IT WILL BE PLUGGED AND ABANDONED AS PER STATE REQUIREMENTS. 24 25 BOND COVERAGE FOR THIS WELL IS PROVIDED BY BOND NO. K02907914-C4073(NATION WIDE BLM BOND)& BOND NO. K02907914-F4072 26 (NATION WIDE BIA BOND) 27 28 A THREATENED -ENDANGERED SPECIES SURVEY AND ARCHAEOLOGICAL SURVEY WERE PERFORMED AS REQUIRED.

I hereby certify that the rules and regulations of the Oil Conservation OIL CONSERVATION DIVISION Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Approved By Signature DEPUTY OIL & GAS INSPECTOR, DIST. 43 Arthur D. Archibeque Printed Name Title: Expiration DateAUG 1 1 2001 Title Eng. Assistant Conditions of Approval: 08/10/2000 Telephone Date 325-4397 Attached

District I 20 Box 1980, Hobbs, NM 88241-1980

District II PO Crawer CD, Antesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

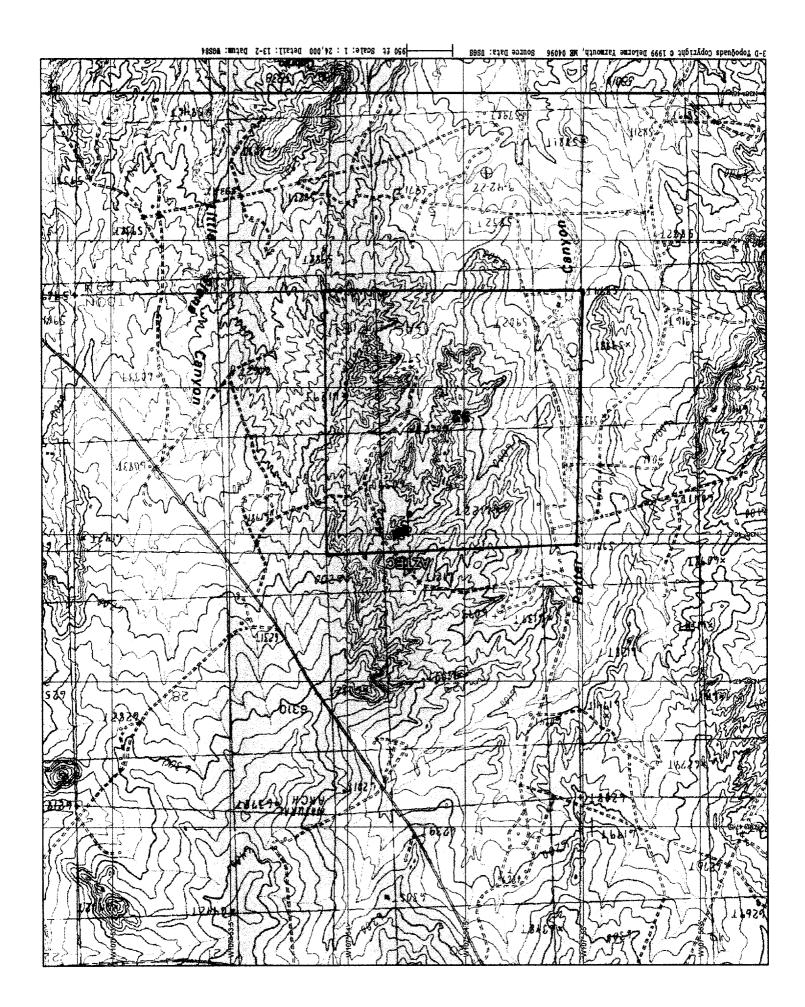
District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102 Revised February 21, 1994 Instructions on back it to Appropriate District Office

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

_ AMENDED REPORT

			WELL	LOCAT	OA DNA NOI	REAGE DEDI	CATION PL	AT		
30-045-30323				*Pool Coo 72319	Į.	'Pool Name BLANCO MESAVERDE —				
'Property Code					³Property SLANE C				*Well Number 32-1	
'0GRI 31	994	FOUR ST				*Operator Name AR OIL & GAS COMPANY			*Elevation 6105 —	
14 3	- L Soot in	Township	- Pagge	Lot Idn	¹⁰ Surface L	_ocation				
UL or lot no B	32 Section	30N	Range 10W	LOT ICH	870	NORTH	Feet from the	East/West EAS		
UL or lat n	o. Section	11 Township	Bottom Range	Hole L	ocation If	Different North/South line	From Surf	ace East/West	line County	· · · · · · · · · · · · · · · · · · ·
12 Cedicated A		¹³ Joint or In	ofill 14 Cons	olidation Code	¹⁵ Order No.					
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5216	T 3			32	AUG 2000 RECEIVED OIL CON. DIV	b = □	I hereby cert was plotted was plotted for under my correct to tr	20, 2	EDWARDS MEHICO 857	his plat e by me



DRILLING PROGRAM

OPERATOR:

FOUR STAR OIL & GAS Co.

LEASE NAME:

SLANE CANYON 32-1

LOCATION:

870' FNL-1510' FEL SEC. 32 30N-10W SAN JUAN COUNTY, NEW MEXICO

1. <u>ESTIMATED TOPS OF GEOLOGIC MARKERS.</u>

THE ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS ARE AS FOLLOWS:

 FORMATION
 DEPTH
 SUBSEA

 MESA VERDE
 4610'
 1725'

 T.D.
 4565'
 4180'

2. ESTIMATED DEPTHS OF ANTICIPATED OIL, GAS, WATER, OR OTHER MINERAL BEARING ZONES.

FORMATION DEPTH SUBSTANCE
MESA VERDE 4610' GAS
T.D. 4565' ---

IF ANY UNEXPECTED WATER OR MINERAL BEARING ZONES ARE ENCOUNTERED DURING DRILLING, THEY WILL BE REPORTED, EVALUATED, AND PROTECTED AS CIRCUMSTANCES AND REGULATIONS REQUIRE.

3. BOP EQUIPMENT.

TEXACO'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL EQUIPMENT ARE AS FOLLOWS:

RAM TYPE: HYDRAULIC DOUBLE, 3000 PSI W.P.

RAM TYPE PREVENTERS AND ASSOCIATED EQUIPMENT SHALL BE TESTED TO APPROVED STACK WORKING PRESSURE IF ISOLATED BY TEST PLUG OR TO 70 PERCENT OF INTERNAL YIELD PRESSURE OF CASING. PRESSURE SHALL BE MAINTAINED FOR AT LEAST 10 MINUTES OR UNTIL REQUIREMENTS OF TEST ARE MET, WHICHEVER IS LONGER. IF A TEST PLUG IS UTILIZED, NO BLEED-OFF PRESSURE IS ACCEPTABLE. FOR A TEST NOT UTILIZING A TEST PLUG, IF A DECLINE IN PRESSURE OF MORE THAN 10 PERCENT IN 30 MINUTES OCCURS, THE TEST SHALL BE CONSIDERED TO HAVE FAILED. VALVE ON CASING HEAD BELOW TEST PLUG SHALL BE OPEN DURING TEST OF BOP STACK.

ANNULAR TYPE PREVENTERS (IF USED) SHALL BE TESTED TO 50 PERCENT OF RATED WORKING PRESSURE. PRESSURE SHALL BE MAINTAINED AT LEAST 10 MINUTES OR UNTIL PROVISIONS OF TEST ARE MET, WHICHEVER IS LONGER.

AS A MINIMUM, THE ABOVE TEST SHALL BE PERFORMED:

- A. WHEN INITIALLY INSTALLED:
- B. WHENEVER ANY SEAL SUBJECT TO TEST PRESSURE IS BROKEN
- C. FOLLOWING RELATED REPAIRS: AND
- D. AT 30 DAY INTERVALS

VALVES SHALL BE TESTED FROM WORKING PRESSURE SIDE DURING BOPE TESTS WITH ALL DOWNSTREAM VALVES OPEN.

WHEN TESTING THE KILL LINE VALVE(S), THE CHECK VALVE SHALL BE HELD OPEN OR THE BALL REMOVED.