Form 3160-4 (April 2004)

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

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|   | WEI           | LCO                          | MPI F           | TION (                   | OR F     | RECOMPLI        | TION           | REPOR  | T ANI         | ו ח         | OG               |  | -                   |               | <del> </del>  | rcn 31, 2007             |  |
|---|---------------|------------------------------|-----------------|--------------------------|----------|-----------------|----------------|--|---------------|-------------|------------------|--|---------------------|---------------|---|--------------------------|--|
|   | ***           |                              | ,,,,,,          |                          | <i>.</i> | ilooiiii li     |                |  | . , , , , ,   | · .         |                  |  | 3                   | 5. Leas<br>NM | e Serial No.<br>NM-10155  | 2                        |  |
| la. Type o  | f Well        | Oil                          | Well [          | Gas We                   | ы Г      | Dry C           | Other          |  |               |             |                  |  |                     | 5. If Inc     | lian, Allottee  | or Tribe Name            |  |
|   | f Completic   |                              |                 | ew Well                  |          |                 | Deepen         | Ph   | g Back        | Г           | Diff.            | Resvi;   | , 1                 | O NA          | ) OM  | u 28                     |  |
|   | •             |                              | Other           |                          |          | _               |                |  | _             |             |                  | (lid-  |                     | Unit Unit     | or CA Agree   | ment Name and No.        |  |
| 2 Name  | of Operator   | · <u>-</u>                   |                 |                          |          | -               |                | <del></del>  |               |             |                  |  | ┦_                  | NA            |   |                          |  |
| 2. Name of Operator Lance Oil & Gas Company, Inc.                   |               |                              |                 |                          |          |                 |                |  |               |             | 8                | 8. Lease Name and Well No.<br>WF Federal 12 #2 |                     |               |   |                          |  |
| 3. Address P. O. Box 70, Kirtland, NM 87417 3a Phone No. (included) |               |                              |                 |                          |          |                 |                |  |               | hude are    |                  |  |                     |               | L. I. terri   |                          |  |
| 505-509-5601  |               |                              |                 |                          |          |                 |                |  |               |             | 30-045-30712     |  |                     |               |   |                          |  |
| 4. Locati   | Federal r     | deral requirements)*         |                 |                          | 6 2      |                 |                | 10. Field and Pool, or Exploratory   |               |             |                  |  |                     |               |   |                          |  |
| At surface 1815' FSL - 828' FWL                                     |               |                              |                 |                          |          |                 |                |  |               |             |                  |  | Harper Hill PC Ext. |               |   |                          |  |
| At top prod. interval reported below                                |               |                              |                 |                          |          |                 |                |  | (3) JAN       |             |                  |  |                     |               | 11. Sec., T., R., M., on Block and<br>Survey or Area 12-30N-14W |                          |  |
| At top  | le            | $\mathcal{O}_{\mathbb{R}^2}$ |                 | · // .                   | 000      | ظمرسار<br>إحديد | Ŋ L            |  | nty or Parish |             |                  |  |                     |               |   |                          |  |
| At total depth Same   |               |                              |                 |                          |          |                 |                |  |               |             | - 0              | سند<br>سرع                                     | 3   "               | . Cou         | •   | 13 State<br>NM           |  |
| 14. Date S  |               |                              | 15.             | Date T.D.                | Reach    | ned             | \ \frac{1}{12} | 16 Date Completed 12/03/2004   |               |             | <del>7</del>   r | 17. Elevations (DF, RKB, RT, GL)*              |                     |               |   |                          |  |
|   | /2001         |                              |                 | 09/20/2                  |          |                 | K              | D&   | A             |             | Ready t          | o Prode  | ′   ¯               |               | ' ungraded  |                          |  |
| 18. Total   | Depth: Mi     | D 185                        | 50'             |                          | 19. P    | tug Back T.D.:  | MD 1           | 172/2/2  |               | 20          | Dept             | Budge  | Plug Se             | t M           | D   | 1630'                    |  |
|   | T             | /D                           |                 |                          |          | _               | TVD            | ~~{{\circ}}  | 2212          | ברו         | ~\ \             | i i  |                     |               | /D  |                          |  |
| 2l. Type I  | Electric & (  | Other N                      | dechanic:       | al Logs Ri               | un (Su   | bmit copy of    | each)          |  | S.C.          | 722         |                  | well core                                      | d? [/               | No [          | Ves (Sub  | mit analysis)            |  |
| •   |               |                              |                 |                          | (        |                 | ,              |  |               | -           |                  | DST run  |                     | No [          |   | mit report)              |  |
| CNL   |               |                              |                 |                          |          |                 |                |  |               |             | Direc            | tional Su                                      | evey?               | □No           | <b>✓</b> Yes (3   | Submit copy)             |  |
| 23. Casin   | g and Line    | r Reco                       | rd <i>(Repo</i> | rt all str               | ings s   | et in well)     | I.a.           |  |               |             |                  |  |                     |               |   |                          |  |
| Hole Size   | Size/Grad     | de V                         | Vt. (#/ft.)     | Top (N                   | MD)      | Bottom (MI      |                | Cementer<br>pth  |               |             | ks. &<br>ement   | Slurry<br>(BE                                  | Vol.                | Ceme          | nt Top*   | Amount Pulled            |  |
| 8-3/4"  | 7" K-5        | 5 2                          | 0#              | Surf                     |          | 135'            | <u></u>        | <b>P.</b>  | 30 sx (       |             |                  |  | <del></del>         | Surface       |   | Cmt to surf              |  |
| 6- 1/4"   | 4-1/2J5       | 55 1                         | 0.5#            | Surfa                    | ice      | 1816"           |                |  | 95 sx         | Cl          | ass B            | 19.96  | bbls                |               |   |                          |  |
|   |               |                              |                 |                          |          |                 |                |  | 205 s         | хCI         | assB             | 43.08  | bbis                | Surf          | ace   | Circ 10 bbls             |  |
|   | <u> </u>      |                              |                 |                          |          |                 |                |  | L             |             |                  |  |                     |               |   |                          |  |
|   | ļ             |                              |                 |                          |          |                 |                |  |               |             |                  |  |                     |               |   |                          |  |
|   | <u></u>       |                              |                 |                          |          | <u> </u>        |                |  | l             |             |                  |  |                     |               |   |                          |  |
|   | Record        |                              | -:              |                          |          |                 | 15.5           | 0 · 0 00   | · .           |             |                  |  |                     | 1=            |   |                          |  |
| Size 2-3/8"   | <del> </del>  | Set (M)                      | D) Packe        | r Depth (1               | MD)      | Size            | Depth          | Set (MD)   | Packer        | Dep         | XII (MID)        | ) 8  | ize                 | Dep           | th Set (MD)   | Packer Depth (MD)        |  |
|   | ing Interva   | lc                           |                 |                          |          |                 | 26.            | Perforation  | Record        | 1           |                  | L  |                     |               |   | 1                        |  |
| 25. 11000   | Formation     |                              | T               | Тор                      |          | Bottom          |                | Perforated Interval  |               | -           | Size             |  | No. I               | Holes         | <del></del>   | Perf. Status             |  |
| A) Lowe   |               |                              |                 |                          |          | 1688' 1737'     |                | 1737,1735,1734,17  |               | 18,1717 .34 |                  |  | 5 holes             |               | +   | Open                     |  |
| B)  |               |                              | i               |                          | _        | +               |                | 6,1702,1701,1700,10  |               |             |                  | .34 5 hol                                      |                     |               | Open  |                          |  |
| <u>C)</u>   |               |                              |                 |                          |          | 1691.           |                | ,1690,1689,1688  |               |             | .34              | 4 hole   |                     | s Open        |   |                          |  |
|   | r Pictured    | l Cliffs                     |                 |                          |          |                 |                | 1587-1583',1580-1578,  |               |             | .41              | .41 19 holes                                   |                     | les           | Open - see page 2   |                          |  |
| <del></del>   | racture, Tre  |                              | , Cement S      | Squeeze, e               | tc.      |                 |                |  |               |             |                  |  |                     |               |   |                          |  |
|   | Depth Interv  | rai                          |                 | £161                     | 150/     | TTC1 20 020     |                | ·  |               | _           | Type of Material |  |                     |               |   |                          |  |
| 1652-17   | 31            |                              |                 |                          |          |                 |                | re-pad, 181,700# 20/40 brady sand flushed with 1,086 gals 2% Kcl max<br>nal frac gradient .81 psi/ft |               |             |                  |  |                     | KCI MAX       |   |                          |  |
| 1504-15   | 87'           |                              |                 |                          |          |                 |                |  |               |             |                  | 0/70. Br                                       | adv 20              | 40 & B        | rady 16/30  | sands. Average           |  |
|   |               |                              | 1               |                          |          | 0 bpm. Final    | ········       |  |               |             |                  |  |                     |               |   |                          |  |
|   | ction - Inter |                              |                 |                          |          |                 |                |  |               |             |                  |  |                     |               |   |                          |  |
| Date First<br>Produced  | Test<br>Date  | Hours<br>Tested              | Test<br>Produc  | tion BB                  | L        | Gas<br>MCF      | Water<br>BBL   | Oil Grav<br>Corr. A  |               |             | Gas<br>Gravity   | Pı   | roduction           | Method        |   | <b>O</b>                 |  |
|   | İ             |                              | 1-              |                          |          |                 |                |  |               | ı           |                  | 1  | No Test             | SUM           | dry to  | Collot                   |  |
| Choke   | Tbg. Press.   | Csg.                         | 24 Hr.          | Oil<br>BB                | ) T      | Gas<br>MCF      | Water<br>BBL   | Gas/Oil<br>Ratio   |               |             | Well Sta         | tos  |                     |               | 0   |                          |  |
| Size  | Flwg.<br>SI   | Press.                       | Rate            | <b>▶</b>   <sup>86</sup> | ,,       | IWACI           | DDL            | VSEED  |               |             |                  | :  | SI : WOI            |               |   |                          |  |
| 28a. Prodi  | action - Inte | rval B                       |                 |                          |          | -L              |                | .1   |               | - 1         |                  |  | ····                | AC            | CEPTE   | <del>) For Recor</del> i |  |
| Date First  | Test          | Hours                        | Test            | Oil                      |          |                 | Water          | Oil Grav   |               | П           | Gas              | Pr   | oduction            | Method        |   |                          |  |
| Produced  | Date          | Tested                       | Produc          | bion BB                  | iL       | MCF             | BBL            | Corr. Al   | 71            | - 1         | Gravity          | - 1,   | No Test             | -             | JAN   | c 5 2005                 |  |
| Choke   | Tbg. Press.   | Csg.                         | 24 Hr.          | Oil                      |          | Gas             | Water          | Gas/Oil  |               | $\dashv$    | Well State       |  |                     | +             |   |                          |  |
| Size  | Flwg.<br>SI   | Press.                       | Rate            | BB                       | L        |                 | BBL            | Ratio  |               |             |                  |  | AB Wr               | F             | Hwindi  | um rielu UFFICE          |  |
| *(See ins   | tructions an  | nd space                     | es for add      | itional da               | ta on n  | nage 2)         |                | 1  | -             |             |                  |  | SI: WOP             | B'            | Y JB  |                          |  |
|   |               |                              |                 |                          |          |                 |                |  |               |             |                  |  |                     |               |   |                          |  |

| 20h Droch  | action - Inte              | and C                   | <del> </del>            |              | <del></del> | 4              |                          |                |                             |                    |  |  |  |
|--|----------------------------|-------------------------|-------------------------|--------------|-------------|----------------|--------------------------|----------------|-----------------------------|--------------------|--|--|--|
| Date First   | Test                       | Hours                   | Test                    | Oil          | Gas         | Water          | Oil Gravity              | Gas            | Production Method           |                    |  |  |  |
| Produced   | Date                       | Tested                  | Production              | BBL          | MCF         | BBL            | Corr. API                | Gravity        | Treating Persons            |                    |  |  |  |
| Choke<br>Size  | Tbg. Press.<br>Flwg.<br>SI | Csg.<br>Press.          | 24 Hr.<br>Rate          | Oil<br>BBL   | Gas<br>MCF  | Water<br>BBL   | Gas/Oil<br>Ratio         | Well Status    |                             |                    |  |  |  |
| 28c. Prod  | uction - Inte              | erval D                 |                         |              |             |                |                          |                |                             |                    |  |  |  |
| Date First<br>Produced   | Test<br>Date               | Hours<br>Tested         | Test<br>Production      | Oil<br>BBL   | Gas<br>MCF  | Water<br>BBL   | Oil Gravity<br>Corr. API | Gas<br>Gravity | Production Method           |                    |  |  |  |
| Choke<br>Size  | Thg. Press.<br>Flwg.<br>SI | Csg.<br>Press.          | 24 Hr.<br>Rate          | Oil<br>BBL   | Gas<br>MCF  | Water<br>BBL   | Gas/Oil<br>Ratio         | Well Status    |                             |                    |  |  |  |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)   |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| 30. Summary of Porous Zones (Include Aquifers):  Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries. |                            |                         |                         |              |             |                |                          |                | 31. Formation (Log) Markers |                    |  |  |  |
| Form   | Formation                  |                         | Bottom                  |              | Descri      | ptions, Conter | nts, etc.                |                | Name                        | Top<br>Meas, Depth |  |  |  |
| Fruitland<br>Pictured<br>Pictured  | Cliffs                     | 1652"<br>1504'<br>1684' | 1686'<br>1589'<br>1736' |              |             |                |                          |                |                             |                    |  |  |  |
| 32. Addi   | tional rema                | rks (includ             | e plugging p            | rocedure):   |             |                |                          |                |                             | •                  |  |  |  |
| Add  | litonal Per                | forated I               | nterv <b>ai</b> s:      |              |             |                |                          |                |                             |                    |  |  |  |
| Upper Pictured Cliffs (continued) 1538-1535', 1506-1504' - fourteen .41" holes   |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| 32 India   | ate which 2                | meg hore b              | page attacks            | l by placing | a chaolt in | he annon-i-t   | hoves.                   |                |                             |                    |  |  |  |
| 33. Indicate which itmes have been attached by placing a check in the appropriate boxes:  □ Electrical/Mechanical Logs (1 full set req'd.) □ Geologic Report □ DST Report □ Directional Survey   |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| Sundry Notice for plugging and cement verification Core Analysis Other:  |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*   |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| Name (please print) Jo Becksted  Title Compliance Administrator  |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
| Signature Date 12/21/2004  |                            |                         |                         |              |             |                |                          |                |                             |                    |  |  |  |
|  |                            | <del></del>             |                         |              |             |                |                          |                |                             | <u> </u>           |  |  |  |

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.