

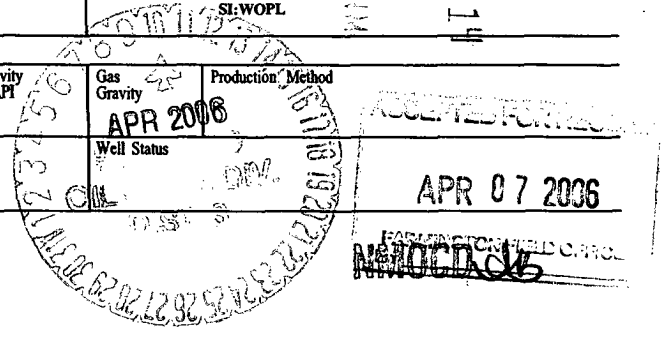
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2004

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. NMNM-101551			
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____						6. If Indian, Allottee or Tribe Name N/A			
2. Name of Operator Lance Oil & Gas Company, Inc.						7. Unit or CA Agreement Name and No. N/A			
3. Address P. O. Box 70, Kirtland, NM 87417				3a. Phone No. (include area code) 505 598 5601		8. Lease Name and Well No. Ropco 7 #2			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1315' FNL & 1420' FWL At top prod. interval reported below At total depth						9. AFI Well No. 30-045-33190			
						10. Field and Pool, or Exploratory B Fruitland Coal / TM PC			
						11. Sec., T., R., M., on Block and Survey or Area Sec 7, T29N-R14W			
						12. County or Parish San Juan		13. State NM	
14. Date Spudded 09/13/2005		15. Date T.D. Reached 09/21/2005		16. Date Completed 02/27/2006 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		17. Elevations (DF, RKB, RT, GL)* 5,268' GR			
18. Total Depth: MD 735' KB TVD			19. Plug Back T.D.: MD 693' KB TVD			20. Depth Bridge Plug Set: MD TVD			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) HRI / SDL / DSN / GR and CBL / GR						22. Was well cored? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)			
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24.0 J-55	Surface	139' KB	Primary	140 sx STD	29.4 bbls	Surface	N/A
7-7/8"	5-1/2"	15.5 J-55	Surface	725' KB	Lead	60 sx Type III	27.3 bbls	Surface	N/A
					Tail	40 sx Type III	14.2 bbls	Surface	N/A
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	626' KB								
25. Producing Intervals									
Formation		Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status	
A) Twin Mounds PC		572' KB	584' KB	572' - 584' KB		0.42"	4 SPF	Open	
B)									
C)									
D)									
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
572-584' KB		22,550 gals 20# Delta 140 Cross-Linked Gel with SandWedge NT containing 72,960 lbs 16 / 30 Mesh Brady sand.							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						Sundry of Tests to Follow
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	SI:WOPL
			→						
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)



28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil 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

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Basal Fruitland Coal Twin Mounds Pictured Cliffs	540' 562'

32. Additional remarks (include plugging procedure):

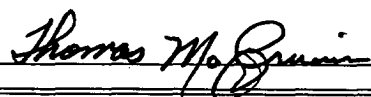
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ 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) Thomas M. Erwin, P. E.Title Senior Production Engineer

Signature



Date

3/20/06

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.