

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other		5. Lease Serial No. NMNM-101552
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resrv., 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. 30492
3. Address P. O. Box 70, Kirtland, NM 87417		8. Lease Name and Well No. WF Federal 12 #1
4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface 980' FNL & 1420' FWL At top prod. interval reported below At total depth Same as above		9. AFI Well No. 30-045-32270
10. Field and Pool, or Exploratory Basin Fruitland Coal		11. Sec., T., R., M., on Block and Survey or Area Sec. 12, T30N, R14W
12. Date Spudded 11/11/2004		13. County or Parish San Juan
15. Date T.D. Reached 12/20/2004		14. State NM
16. Date Completed 04/15/2005		17. Elevations (DF, RKB, RT, GL)* 5894' GL
18. Total Depth: MD 1857' TVD		19. Plug Back T.D.: MD 1808' TVD
20. Depth Bridge Plug Set: MD TVD		

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Compensated Neutron Log	22. Was well cored? ☒ No ☐ Yes (Submit analysis) Was DST run? ☒ No ☐ Yes (Submit report) Directional Survey? ☐ No ☒ Yes (Submit copy)
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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"	J55 24 #	Surf	185'	Primary	135 sx Cl. B	28.4	Lost circ	
		as per	BLM	request	"Top Job"	25 sx Cl. B	5.3	Cmt to surf	
7-7/8"	5-1/2"	15.5 #	Surf	1844' 1847'		220 sxs	76.8	Cmt to surf	
						65/35 std poz			
						95 sx	22.5		
						50/50 std poz			

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"	1700'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Lower Fruitland Coal	1611'	1624'	1618-1624', 1611'	.42	24 holes	Open
B) Upper Fruitland Coal	1464'	1556'	1548-1556', 1491-1492'	.42	33 holes	Open
C)			1464-1465'	.42	6 holes	Open
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
1611-1624'	33557 gals clean volume, 36103 total slurry pumped, 56029 lbs 16/30 Brady sand
1464-1556'	44185 gals clean fluid, 44503 gals slurry, 70000 lbs 16/30 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)

NMOC

ACCEPTED FOR RECORD

MAY 26 2005

FARMINGTON FIELD OFFICE
BY

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
				Ojo Alamo Kirtland Fruitland Middle Fruitland Coal Basal Fruitland Coal Pictured Cliff Sandstone Lewis Shale	Surface 362' 1039' 1546' 1608' 1627' 1792'

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

Title Sr. Production Engineer

Signature

Thomas M. Erwin 5/13/05

Date 05/12/2005

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.