

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-32788
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Ropco 7
8. Well Number #4
9. OGRID Number 229938
10. Pool name or Wildcat Basin Fruitland Coal/Twin Mounds PC
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5212' KB

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Lance Oil & Gas Company, Inc.

3. Address of Operator
#99 County Road 6500, P. O. Box 70, Kirtland, NM 87117

4. Well Location
Unit Letter O 1075' feet from the South line and 1805' feet from the East line
Section 7 Township 29N Range 14W NMPM San Juan County, NM

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
feet from the line and feet from the line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Recompletion to S-9 Basin Fruitland Coal ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On November 3, 2005, Operator, Lance Oil & Gas Company, Inc. set a retrievable bridge plug on top of the Basal Fruitland Coal (S-8) formation, at 450' KB, thereby temporarily plugging back the Basal Fruitland Coal (S-8) formation. Completion operations then commenced on the Middle Fruitland Coal (S-9) formation. The S-9 was perforated from 352-58' KB, 378-80' KB, 388-90' KB, 394-95' KB, and 423-26' KB with 4 SPF and 120 degree phasing. The perf intervals were broken down with 500 gals 15% HCl acid and swabbed back to the rig pit. On November 9, 2005, Halliburton fraced the Middle Fruitland Coal (S-9) down 5-1/2" casing with 28,750 gals Delta 140 Sandwedge NT containing 78,570 lbs 16/30 Mesh Brady sand.

On November 10, 2005, Operator pulled the bridge plug set at 450' and is producing the Basal Fruitland Coal (S-8) and Middle Fruitland Coal (S-9) formations together.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Thomas M. Erwin TITLE Senior Production Engineer DATE 11/28/05
Type or print name Thomas M. Erwin, P.E. E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601 Ext. 63

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE NOV 29 2005
Conditions of approval, if any: