

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. 14-20-603-2172
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 Navajo
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		8. Lease Name and Well No. NV Patricia 26 #2
4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface 1,905' FNL & 1,600' FWL At top prod. interval reported below At total depth Same as above		9. AFI Well No. 30 - 045 - 31436
14. Date Spudded 12/11/2005		10. Field and Pool, or Exploratory W. Kutz PC/R Fruitland Coal
15. Date T.D. Reached 12/14/2005		11. Sec., T., R., M., on Block and Survey or Area Sec 26, T29N - R14W
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		12. County or Parish San Juan
17. Elevations (DF, RKB, RT, GL)* 5,655' GL		13. State NM
18. Total Depth: MD 1,450' KB TVD		19. Plug Back T.D.: MD TVD
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) HRI / GR, SDL / DSN / GR and CBL / GR
22. Was well cored? <input checked="" type="checkbox"/> No <input 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	183' KB	Primary	190 Type G	40 bbls	Surface	N/A
7-7/8"	5-1/2"	15.5 J-55	Surface	1436' KB	Lead	50 Typ III	22.7 bbls	Surface	N/A
					Tail	110 Typ III	39.2 bbls	~180'	

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"	1,200' KB							

25. Producing Intervals				26. Perforation Record			
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status	
A) Basal Fruitland Coal S-8	1044' KB	1,050' KB	1,044' - 1,050' KB	0.42"	4 SPF	Open	
B) Middle Fruitland Coal S-9	1092' KB	1,172' KB	1,092' - 1,094' KB	0.42"	4 SPF	Open	
C)			1,153' - 1,161' KB	0.42"	4 SPF	Open	
D)			1,167' - 1,172' KB	0.42"	4 SPF	Open	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.		Amount and Type of Material
Depth Interval		
1,044' - 1,172' KB		47,200 gals Delta 140 (13) Frac fluid containing 151,940 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)

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FARMINGTON FIELD OFFICE
BY *clb*

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 Cliffs Sandstone Lewis Shale	1,042' KB 1,151' KB 1,176' KB

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 Sr. Production Engineer

Signature

Thomas M. Erwin

Date

2/15/06

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.