

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  
May 27, 2004

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

WELL API NO. 30-045-31768
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 FRPC 17
8. Well Number #1
9. OGRID Number 19219
10. Pool name or Wildcat West Kutz PC/Basin Fruitland Coal

**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  
P. O. Box 70, Kirtland, NM 87417

4. Well Location  
Unit Letter G : 1914 feet from the North line and 1449 feet from the East line  
Section 17 Township 29N Range 13W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5256' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Drilling to Groundwater <50' (Ditch) Distance from nearest fresh water well >500' Distance from nearest surface water >1000'

Pit Liner Thickness: 18 mil Below-Grade Tank: Volume          bbls; Construction Material         

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☒ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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.

The FRPC 17 #1 was spud at 7:30 hrs, 1/19/2006. Drill 12-1/4" hole down to 50' KB. Wellbore sloughing at 50' KB. Mix & pump cement plug @ 50' KB. Mix & pump 145 sxs Class H "Neat" cement containing 1/4 #/sx flocele and 2% CaCl2 (Weight - 15.6 ppg, Yield 1.18 ft3/sx and Water - 5.2 gals/sx). Displace cement with 0.5 bbls fresh water. Shut down @ 14:30 hrs, 1/24/06.

Tag cement at 35' KB. Drill cement to 50' KB. Drill 12-1/4" hole down to casing point at 190' KB. Circulate and condition hole. TOOH. Run 4 joints 8-5/8", 24 PPF, J-55, ST&C casing, land casing at 183.82' KB. Cement 8-5/8" casing with 200 sxs Type III cement containing 1/4 #/sx flocele and 2% CaCl2 (Weight - 15.6 ppg, Yield 1.18 ft3/sx and Water - 5.2 gals/sx). Displace cement with 8.9 bbls fresh water. Bumped plug to 365 psig at 18:00 hrs, plug held. Circulate 13 bbls cement to surface. WOC - 13 hrs. NU WH and BOP's.

Pressure test BOP's, blind rams and pipe rams to 250 psig (low) and 2,000 psig (high). Pressure test casing shoe to 1,000 psig. Pressure tests - Good. Tag cement at 130' KB. Drill cement to 190' KB. Drill new 7-7/8" hole to total depth on 1/31/06. Driller's TD - 1400' KB. Logger's TD - 1401' KB. Circ and condition hole. TOOH. Run 34 joints 5-1/2", 15.5 ppg, J-55, LT&C and land casing at 1390' KB. Cement 5-1/2" casing with 130 sxs as follows: Lead - 80 sxs Halliburton Type III containing 2% Econolite, 2% Calseal, 6% BWC Salt, 0.3% Versaset, 1/4 #/sx flocele, 5#/sx gilsonite and 0.1% Super CBL (Weight - 11.5 ppg, Yield - 2.95 ft3/sx and Water - 17.5 gals/sx). Tail - 50 sxs Halliburton Type III containing 2% Econolite, 2% calseal, 6% BWC salt, 0.3% Versaset, 1/4 #/sx flocele, 5#/sx gilsonite and 0.1% Super CBL (Weight - 12.0 ppg, Yield - 2.55 ft3/sx and Water - 14.4 gals/sx).

Displaced cement with 33.3 bbls fresh water. Full returns throughout. Bumped plug to 805 psig at 18:30 hrs, 2/1/06. Plug held. Circulate 3 bbls to surface. Rig released at 18:00 hrs, 2/1/06.

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. Terwin  
Type or print name Thomas M. Terwin

TITLE Senior Production Engineer DATE 2/17/06  
E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601

For State Use Only

APPROVED BY: H. Villanueva  
Conditions of Approval (if any):

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #1 DATE FEB 2 1 2006