

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. 30-045-32968
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 18
8. Well Number #
9. OGRID Number 229938
10. Pool name or Wildcat Basin Fruitland Coal//Twin Mounds PC

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK 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 H : 1500 feet from the North line and 665' feet from the East line  
Section 18 Township 29N Range 14W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5158' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Drilling Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ 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: Spud & Casing Sundry ☒

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 Ropco 18 #1 was spud at 13:00 hrs, 3/3/2006. Drill 12-1/4" hole down to casing point at 190' KB. Circulate and condition hole. TOOH. Run 4 jts 8-5/8", 24 PPF, J-55, ST&C casing, land casing at 183' KB. Cement 8-5/8" casing with 145 sxs Standard 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 9 bbls fresh water. Bumped plug to 505 psig at 19:30 hours 3/4/2006, plug held. Circulate 8 bbls cement to surface. WOC - 11 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 133' KB. Drill new 7-7/8" hole to total depth on March 6, 2006. Driller's TD - 710' KB, Logger's TD - 710' KB. Circ and condition hole. TOOH. Run 17 jts 5-1/2" 15.5 ppg, J-55, LT&C and land casing at 697' KB. Cement 5-1/2" casing with 70 sxs as follows: Lead - 30 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 17.4 gals/sx). Tail - 40 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 15.8 bbls fresh water. Full returns throughout. Bumped plug to 692 psig at 20:30 hrs, 3/6/2006. Plug held. Circulate 5 bbls to surface. Rig released at 13:00 hours 3/7/2006.

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 4/06/06  
Thomas M. Erwin, E.E. E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601 Ext. 5563

For State Use Only

APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE APR 12 2006  
Conditions of Approval (if any):