<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

State of New Mexico Energy, Minerals & Natural Resources Form C-104 Revised June 10, 2003

| District III 1000 Rio Brazos District IV  |                   |  |   | 705          | 12:                           | 20 Sout                 | on Division<br>Francis D          |  |                           |  | Subm                                  | it to Ap                       | propriate District Offic<br>5 Copie |  |  |
|---|-------------------|--|---|--------------|-------------------------------|-------------------------|-----------------------------------|--|---------------------------|--|---------------------------------------|--------------------------------|-------------------------------------|--|--|
| 1220 S. St. Franc   |                   |  |   |              |                               |                         |                                   | M 87505  | TIIO                      | D 1/7 A 7  | TION.                                 | то т                           |                                     | AMENDED REPORT                                       |  |
| <sup>1</sup> Operator n   | I.<br>ame and     |  |   | SIFO         | KALL                          | UWAI                    | AND AU                            | THO  |                           |  |                                       | KANS                           | SPORT                               |  |  |
| Lance Oil &   | Gas Con           |  |   |              |                               |                         |                                   | <sup>2</sup> OGRID Number<br>229938  |                           |  |                                       |                                |                                     |  |  |
| P. O. Box 70<br>Kirtland, NN  |                   |  |   |              |                               |                         |                                   | <sup>3</sup> Reason for Filing Code/ Effective Date<br>Completion 7/8/06   |                           |  |                                       |                                |                                     |  |  |
| <sup>4</sup> API Number <sup>5</sup> Pool Name<br>30-045-31768 Basin Fruitland Coal |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                | ol Code<br>29                       |  |  |
| <sup>7</sup> Property C   |                   | <sup>8</sup> Property Name<br>F-RPC 17 |   |              |                               |                         | 320 N                             |  |                           | <i>N/</i> 2  | 9 Wo                                  | <sup>9</sup> Well Number<br>#1 |                                     |  |  |
|   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Ul or lot no.   | Section 17        | 29                                     | N Î   | Range<br>13W | Lot.Idn                       | Feet from 1,91          |                                   | North/Sout<br>North  | North/South Line<br>North |  | Feet from the 1,449                   |                                | Vest line<br>ast                    | County<br>San Juan                                   |  |
| UL or lot no.   | ttom H<br>Section |  | ocatio<br>nship                               |              | Lot Idn                       | Feet fro                | m tha                             | he North/South li  |                           | Feet from the  |                                       | East/West line                 |                                     | County   |  |
| UL or lot no.   | Section           | 10%                                    | 'nsnip  | Range        | Lot Idn                       | reet iro                | m the                             | North/Sou  | un une                    | Feet from th   |                                       |                                |                                     | County   |  |
| 12 Lse Code 13 Producing M<br>Code  |                   |  | ethod <sup>14</sup> Gas Connection Date       |              |                               | <sup>15</sup> C-12      | C-129 Permit Number 16 (          |  |                           | C-129 Effective Date 17 C-129  |                                       |                                | 129 Expiration Date                 |  |  |
| III. Oil a  |                   | s Tra                                  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| <sup>18</sup> Transporter<br>OGRID  |                   |  | <sup>19</sup> Transporter Name<br>and Address |              |                               |                         | <sup>20</sup> POD <sup>21</sup> O |  |                           | 'G   | 22 POD ULSTR Location and Description |                                |                                     |  |  |
| 151618  |                   |  | Enterprise Products                           |              |                               |                         |                                   |  | and Description           |  |                                       |                                |                                     |  |  |
|   |                   | Enterprise Froducts                    |   |              |                               |                         |                                   |  |                           |  |                                       | Y53\51                         | ٣٠.                                 |  |  |
|   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       | N.                             |                                     |  |  |
|   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       | Jl                             | JT 5006                             | 8  |  |
|   |                   |  |   |              |                               |                         |                                   | 41505170134113411  |                           | <b>1479717</b>   |                                       | £                              | · Ö.                                | W.S  |  |
|   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
|   |                   |  |   |              |                               |                         |                                   | The state of the s |                           |  |                                       |                                |                                     |  |  |
| IV. Prod  | luced V           | Vater                                  |   |              |                               | SHERRE                  | THE RESIDENCE                     | подрамення в проделительня в приня в подрамення в подраме | 200 semochoss medicine    | AND THE PROPERTY OF THE PROPER |                                       |                                |                                     |  |  |
| <sup>23</sup> POD   |                   |  | <sup>24</sup> POD                             | ULSTR        | Location                      | and Desc                | riptio                            | n  |                           |  |                                       |                                |                                     |  |  |
| V. Well   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| <sup>25</sup> Spud Da<br>1/19/2006  |                   |  | Ready Date<br>07/08/2006                      |              | <sup>27</sup> TD<br>1,400' KB |                         |                                   | <sup>28</sup> PBTD<br>1,349' KB  |                           | <sup>29</sup> Perforation 986-995' KB, 90 KB, 520-532' KB 516' KB  |                                       | 08-912'<br>B, 511-             |                                     | <sup>30</sup> DHC, MC                                |  |
| 31 Hol//e Size  |                   |  | 32 Casing & Tubing Siz                        |              |                               | ig Size                 | 33 Depth S                        |  |                           | et   |                                       |                                | <sup>34</sup> Sacks Cement          |  |  |
| 12-1/4"   |                   |  | 8-5/8" J-55, 24# weight                       |              |                               |                         |                                   | 183.82' KB   |                           |  | 200 sx STD                            |                                |                                     |  |  |
| 7-7/8"  |                   |  | 5-1/2" J55, 15.5# weigh                       |              |                               | weight                  | nt 1,390' KE                      |  |                           | <b>3</b>   |                                       |                                | 130 sx Type III                     |  |  |
|   |                   |  | 2-3/8" 4.7# J-55                              |              |                               |                         | 1,055' KB                         |  |                           |  |                                       |                                |                                     |  |  |
|   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| VI. Well  |                   |  |   |              | 17                            |                         |                                   | 20 —   |                           |  | 10                                    |                                |                                     | 40   |  |
| 35 Date New Oil 36 C  |                   | 30 Gas                                 | as Delivery Date                              |              |                               | 37 Test Date            |                                   | 38 Test Lengt  |                           | h  | <sup>39</sup> Tbg.                    |                                | sure                                | 40 Csg. Pressure                                     |  |
| 41 Choke Size   |                   |  | <sup>42</sup> Oil <sup>43</sup>               |              |                               | <sup>3</sup> Water<br>0 |                                   | 44 Gas   |                           |  | 45                                    |                                | S                                   | <sup>46</sup> Test Method<br>undry of test to follow |  |
| <sup>47</sup> I hereby cert   |                   |  |   |              |                               |                         |                                   | 7-17-06  |                           | OIL CO   | NSERV                                 | ATION                          | DIVISI                              | ON   |  |
| been complied complete to the   | e is true ar      | nd                                     | , , , ,                                       |              | 1                             | 0                       |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Signature:  |                   |  | Approved by:                                  |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Printed name:   |                   |  | Title: SUPERVISOR DISTRICT # 3                |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Tod H. Haanes   |                   |  |   |              | III 1 7 2000                  |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Title:<br>Production En   |                   |  | Approval Da                                   | ite:         | ——<br>'∩⊩ 1                   |                         | u u                               |  |                           |  |                                       |                                |                                     |  |  |
| E-mail Addres   | s:                |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| thaanes@westerngas.com  Date: 7 13 2 9 9 6 Phone:                                   |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |
| Date: 7 13 2006 Phone: (505) 598-5601 Ext. 5564                                     |                   |  |   |              |                               |                         |                                   |  |                           |  |                                       |                                |                                     |  |  |