

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

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

Form C-103

March 4, 2006

OIL CONS. DIV.

DIST. 2

RCVD DEC 26 2006

WELL API NO.
30-045-33561

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
NA

7. Lease Name or Unit Agreement Name
FRPC 22

8. Well Number
#3

9. OGRID Number
229938

10. Pool name or Wildcat
Basin Fruitland Coal 71629
Kutz Pictured Cliffs, west 79680

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 M: 882 feet from the south line and 745 feet from the west line

Section 22 Township 29N Range 13W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5266' GR

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: Spud and casing ☒

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 22#3 was spud on 11/17/2006. A 13-3/8" conductor pipe was driven to 25' KB into the 12-1/4" hole. The 12-1/4" hole was continued to 150' KB. Three joints of 8-5/8", 24# per foot, J-55 surface casing was landed at 142' KB. Surface cement job details are as follows: 10 barrels of fresh water was pumped ahead, followed by 118 sacks of Type G cement with 2% CaCl2 and 1/8# per sack Pol-e-flake mixed at 15.6 ppg and a 1.18 yield. This was displaced with 6.2 barrels. The plug was bumped at 302 psi. Six barrels of cement was circulated to the surface.

The BOPE successfully pressure tested.

A 7-7/8" hole was drilled to 1400' KB. TD was reached on 12/06/2006. The production casing (5-1/2", 15.5# per foot, and J-55) landed at 1380' KB. The production cement job was as follows: 20 barrels of mud flush was followed by 5 barrels water. Lead consisted of 100 sacks SJ PRBII cement with 1/89# per sack Pol-e-Flake mixed at 12 ppg and 2.22 yield. The tail was 80 sacks of SJ PRBII cement with 1/2# per sack of Pol-e-flake mixed at 13 ppg and a 2.00 yield. This was displaced with 32 barrels of fresh water. The plug was bumped at 1155 psi, and 5 barrels of cement was circulated to the surface. The drill rig was released 12/08/2006. The deviation survey was 0.75 degrees at 1040' KB, and 1.25 degrees at 1400' KB.

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 Tod H. Haanes TITLE Production Engineer DATE 12/21/06

Type or print name Tod H. Haanes E-mail address: tod.haanes@anadarko.com Telephone No. 505-598-5601, ext. 5564

(This space for State use)

APPROVED BY H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #1 DATE DEC 26 2006

Conditions of approval, if any: include pt on casings

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