

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address LANCE OIL & GAS COMPANY, INC. PO BOX 70 KIRTLAND , NM 87417		2. OGRID Number 229938
		3. API Number 30-045-33419
4. Property Code 35379	5. Property Name F-LOG 5	6. Well No. 003

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	5	29N	13W	N	920	S	1800	W	SAN JUAN

8. Pool Information

BASIN FRUITLAND COAL (GAS)	71629
FULCHER KUTZ PICTURED CLIFFS (GAS)	77200

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 5496
14. Multiple Y	15. Proposed Depth 1700	16. Formation Pictured Cliffs Formation	17. Contractor	18. Spud Date 1/15/2006
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 900 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	200	100	0
Prod	7.875	5.5	15.5	1700	300	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Charlie Perrin	
	Title: District Supervisor	
	Approved Date: 1/19/2006	Expiration Date: 1/19/2007
Printed Name: Electronically filed by Mary Mondragon		
Title: Supervisor Production		
Email Address: mmondrag@westerngas.com		
Date: 11/7/2005 Phone: 303-450-3587		

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-		*Pool Code 71629	*Pool Name Basin Fr. Coal	
*Property Code	*Property Name F-LOG 5			*Well Number 3
*OGRID No. 229938	*Operator Name LANCE OIL & GAS COMPANY, INC.			*Elevation 5496

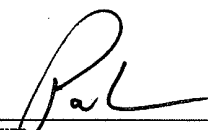
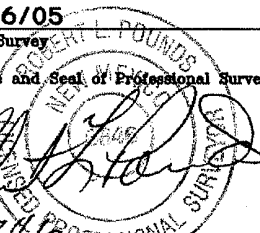
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	29 N	13 W		920	SOUTH	1800	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code			¹⁵ Order No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	N 89°07'53" E	E	2648.85'	S 88°44'53" E	2593.39'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature _____ Printed Name <u>Paul Lehman</u> <u>Sr. Landman</u> Title _____ <u>11-7-05</u> Date _____
5460.46'						
				111 S/2- Fc		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. <u>10/26/05</u> Date of Survey _____ Signature and Seal of Professional Surveyor:  <u>6846</u> Certificate Number _____
				SECTION 5		
N 0°53'30" E	/	/	/	/	/	
/	40	40	40	40	40	
/	1800'	920'	40	40	40	
S 88°16'24" W	2621.04'		S 88°19'22" W	2626.57'		

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

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811 South First, Artesia, N.M. 88210

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1000 Rio Brazos Rd., Aztec, N.M. 87410

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
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Santa Fe, NM 87504-2088

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Revised February 21, 1994
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045	² Pool Code 77200	³ Pool Name Fulcher Kite PC
⁴ Property Code	⁵ Property Name F-LOG 5	⁶ Well Number 3
⁷ OGRID No. 229938	⁸ Operator Name LANCE OIL & GAS COMPANY, INC.	⁹ Elevation 5496

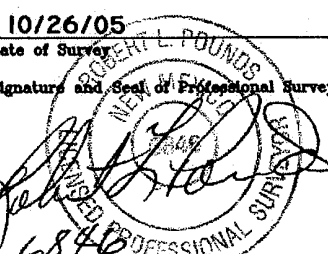
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 16.0		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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16 N 89°07'53" E 5460.46'	2648.85'	S 88°44'53" E	2593.39'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Paul Lehman</u> Printed Name <u>Paul Lehman</u> Title <u>Sr. Landman</u> Date <u>11-7-05</u>
		11 SW/4-PC		
	SECTION 5			
N 0°53'30" E 1800'	40	40		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 10/26/05 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number
	40	40		
	1800'	920'	40	
	S 88°16'24" W	2621.04'	S 88°19'22" W	

Permit Comments

Operator: LANCE OIL & GAS COMPANY, INC. , 229938

Well: F-LOG 5 #003

API: 30-045-33419

Created By	Comment	Comment Date
SHAYDEN	This well will require an attached C-102 form.	11/7/2005
SHAYDEN	Application on hold pending outcome of NM OCD Hearing.	11/21/2005
SHAYDEN	Application released after operators settled dispute.	1/17/2006