Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☑ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☑ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

2. Name of Operator **Lance Oil & Gas Company, Inc.**

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

3a. Phone No. *(include area code)* **505-598-5601**

4. Location of Well *(Report location clearly and in accordance with Federal requirements)**
At surface **825' FNL & 855' FWL**
At top prod. interval reported below
At total depth **Same as above**

5. Lease Serial No. **NMNM - 0206995**
6. If Indian, Allottee or Tribe Name **N / A**
7. Unit or CA Agreement Name and No. **N / A**
8. Lease Name and Well No. **Perf #91**
9. API Well No. **30 - 045 - 32393**
10. Field and Pool, or Exploratory **Basin Fruitland Coal**
11. Sec., T., R., M., on Block and Survey or Area **Sec 35, T30N - R14W**
12. County or Parish **San Juan**
13. State **NM**

14. Date Spudded **02/03/2005**
15. Date T.D. Reached **02/05/2005**
16. Date Completed **08/24/2005** ☐ D & A ☑ Ready to Prod.
17. Elevations (DF, RKB, RT, GL)* **5,592' GL**

18. Total Depth: MD **1,270' KB** TVD
19. Plug Back T.D.: MD **1,228' KB** TVD
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
HRI / GR, SDL / DSN / GR & CBL / GR

22. Was well cored? ☑ No ☐ Yes (Submit analysis)
Was DST run? ☑ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☑ Yes (Submit copy)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24.0 J-55	Surface	139'	Primary	110 sx Std.	23.1	Surface	N / A
7-7/8"	5-1/2"	15.5 J-55	Surface	1,260'	Lead	85 Sx Typ III	38.6	Surface	N / A
					Tail	75 Sx Typ III	26.7		

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	1,210' KB							

25. Producing Intervals / 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Basin Fruitland Coal	1,169	1,180	1,169' - 1,180' KB	0.42"	3 SPF	Open
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
1,169' - 1,180' KB	500 gals 15% HCL and 21,750 gals Halliburton Delta 140 Fluid containing 41,150 lbs 16 / 30 Mesh Brady sand.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
									Sundry of Tests to Follow

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status
								SI:WOPL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

(See instructions and spaces for additional data on page 2)

RECEIVED
070 FARMINGTON NM
2005 AUG 30 PM 11 35

SEP 2005
OIL CONS. DIV.
DIST. 3

ACCEPTED FOR RECORD
SEP 05 2005
FARMINGTON FIELD OFFICE
BY

NMOCD

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Ojo Alamo	
				Kirtland	
				Fruitland	
				Middle Fruitland Coal	**1,061' KB**
				Basal Fruitland Coal	**1,168' KB**
				Pictured Cliffs Sandstone	**1,182' KB**
				Lewis Shale	

32. Additional remarks (include plugging procedure):

33. Indicate which itmes have been attached by placing a check in the appropriate boxes:

☑ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☑ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name *(please print)* **Thomas M. Erwin, P.E.** Title **Sr. Production Engineer**

Signature Thomas M Erwin 8/29/05 Date **08/24/2005**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.