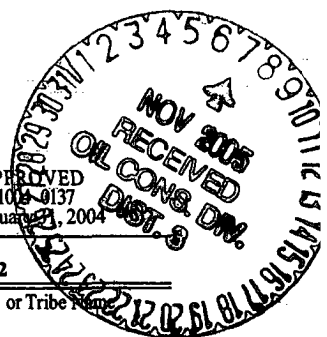


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1019-0137
Expires: January 21, 2004



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 87410**

3a. Phone No. (include area code)
505-598-5701

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **1775' FSL & 1400' FWL**

At top prod. interval reported below

At total depth

14. Date Spudded
08/21/2001

15. Date T.D. Reached
08/23/2001

16. Date Completed **10/13/2005**
☐ D & A ☒ Ready to Prod.

5. Lease Serial No.
NMNM - 97842

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.
WF Federal 27 #3

9. AFT Well No.
30 - 045 - 30393

10. Field and Pool, or Exploratory
Basin Fruitland Coal

11. Sec., T., R., M., on Block and
Survey or Area **Sec. 27, T30N-R14W**

12. County or Parish **San Juan** 13. State
NM

17. Elevations (DF, RKB, RT, GL)*
5500' GL

18. Total Depth: MD **1250'**
TVD

19. Plug Back T.D.: MD **1048'**
TVD

20. Depth Bridge Plug Set: MD **1048'**
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
8-3/4"	7"K-55	20#	Surf	128'	Primary	30 sx Cl B		Surf	N/A
6-1/4"	4.5"J55	10.5"	Surf	1250'	Lead	25 sx Cl B		Surf	N/A
					Tail	136 sx Cl B			

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"	1040'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Basin Fruitland Coal S-8	1033'	1045'	1033-1045'	.42	4 spf	Open
B) Basin Fruitland Coal S-9	955'	1007'	955-965'	.42	4 spf	Open
C)			995-1007'	.42	4 spf	Open
D)						

26. Perforation Record

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

Depth Interval	Amount and Type of Material
1033-1045'	19,152 gallons of Delta 140 (13) Frac fluid containing 50,000 #'s of 16 / 30 Mesh Brady sand.
955-1007'	45,280 gallons 20# Cross-linked gel containing 101,400 #'s of 20 / 40 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)

ACCEPTED FOR RECORD
NOV 03 2005
FARMINGTON FIELD OFFICE
BY *[Signature]*

NMOC