Form 3160-4 (April 2007)

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UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	FORM SPPROVED OMBN 2.004 0137 Expires: Warth 31, 2007								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG	5. Lease Serial No.								
	NMSF-07906\$								
a. Type of Well Oil Well Gas Well Dry Other	6. If Indian, Allottee Name								
b. Type of Completion: New Well Work Over Deepen Plug Back Diff; R	7 Unit or CA Agreement Name and No.								
Other									
2. Name of Operator Lance Oil & Gas Company, Inc.	8. Lease Name and Well No. F-RPC 19 #2Y								
3. Address P. O. Box 70, Kirtland, NM 87417 3a Phone No. (include area 505-598-5601	ode) 9. AFI Well No. 30-045-3276652								
Location of Well (Report location clearly and in accordance with Federal requirements)*	10. Field and Pool, or Exploratory								
A section	Basin Fruitland Coal								
At surface 688' FNL, 836' FWL At top prod. interval reported below	11. Sec., T., R., M., on Block and Survey or Area Sec. 19, T29N, R13W								
,	12 County or Parish 13. State								
At total depth Same as above	San Juan NM								
4. Date Spudded 15. Date T.D. Reached 16. Date Completed 10/29/2									
01/02/2005	Prod. 5314' GL								
8. Total Depth: MD 1164' GL 19. Plug Back T.D.: MD 1020' 20. Depth	Bridge Plug Set: MD 1020'								
TVD	TVD								
7,	ell cored?								
	onal Survey? No Yes (Submit copy)								
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" J55 24# Surface 150' Primary 125 sx Cl B	26.3 bbls Surface Circ. 9 bbls								
7-7/8" 5-1/2" 15.5#J55 Surface 1150' 90 sx Type 3	40 bbls								
84 sx Type 3	30 bbls Surface Circ. 7 bbls								
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" 930'									
25. Producing Intervals 26. Perforation Record Formation Top Bottom Perforated Interval	ize No. Holes Perf. Status								
A) Basal Fruitland Coal S-8 968' KB 991' KB 968 - 977' KB .44	4 spf Open								
B) 989 - 991 KB .4:	4 spf Open								
C) 783 - 371 KB .A.	Topi Optii								
0)									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval Amount and Type of	faterial								
	30,792 gallons of Delta 140 (13) Frac fluid containing 73,200 lbs of 16 / 30 Mesh Brady sand.								
968 - 991' KB 30,792 gallons of Delta 140 (13) Frac fluid containing 73,200	os of 16 / 30 Mesh Brady sand.								

This completion report has been accepted with the stipulation that A subsequent sundry must be filed to report the required production Test data.

	Size	riog. riess. Flwg. SI	Usg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	FARMINGTON FIELD OFFICE BY
*(See instructions and spaces for additional data on page 2)	*(See insi	ructions ar	d spaces j	or additiona	l data on po	ige 2)	·		<u> </u>	DI

28b. Production - Interval C											
Date First Test Hours Test Oil Gas Water Oil Gravity Gas Production Method											
Produced Date Tested Production BBL MCF BBL Corr. API Gravity											
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 Test Hours Produced Date Tested Production BBL Gas Water BBL Corr. API Gravity 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.)											
20 Sum	mary of Por	ous Zones	(Include Ac	nifore).				21 Formal	tion (Lon) Markons		
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.											
Formation Top Bottom Descriptions, Contents, etc. Name Top Meas. Depth											
Kirtland Surface									Surface		
Fruitland 380 (+4941)									380 (+4941)		
	Middle Fruitland Coal (S9) 886 (+4435)									886 (+4435)	
Basal Fruitland Coal (S8) 968 (+4353)									968 (+4353)		
										997 (+4324)	
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.)											
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 Senior Production Engineer											
Signature Thomas Mo Lumin Date 11/01/05											

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.