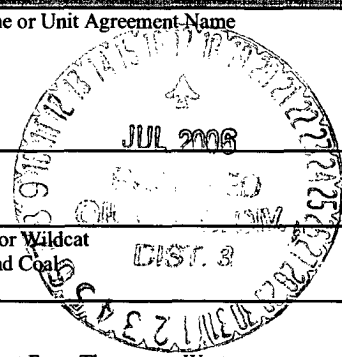


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	<div style="text-align: right;">Form C-105</div> <div style="text-align: right;">Revised June 10, 2003</div> WELL API NO. 30-045-33328 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No. N/A
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> 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 <u>N</u> : <u>780</u> Feet From The <u>South</u> Line and <u>1,825</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>29N</u> Range <u>13W</u> NMPM <u>San Juan</u> County 10. Date Spudded <u>2/4/2006</u> 11. Date T.D. Reached <u>2/14/2006</u> 12. Date Compl. (Ready to Prod.) <u>07/08/06</u> 13. Elevations (DF& RKB, RT, GR, etc.) <u>5294' GL</u> 14. Elev. Casinghead _____ 15. Total Depth <u>1,430' KB</u> 16. Plug Back T.D. <u>1,347' KB</u> 17. If Multiple Compl. How Many Zones? <u>N/A</u> 18. Intervals Drilled By _____ Rotary Tools _____ Cable Tools _____ 19. Producing Interval(s), of this completion - Top, Bottom, Name <u>Basin Fruitland Coal</u> 20. Was Directional Survey Made Yes, filed on February 24, 2006 21. Type Electric and Other Logs Run <u>HRI/GR, SDL/DNL/GR & CBL/GR</u> 22. Was Well Cored No	7. Lease Name or Unit Agreement Name F-RPC 16 
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23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	184' KB	12-1/4"	200 sx STD	N/A
5-1/2"	15.5#	1,380.62' KB	7-7/8"	125 sx Type III	N/A

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	1,110' KB	

26. Perforation record (interval, size, and number)
 968 - 973' KB, 0.42", 4 spf, 120° phasing
 1,052 - 1,061' KB, 0.42", 4 spf, 120° phasing

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
1,052 - 1,061' KB	350 gals 15% HCl, flushed w/20 bbls 2% KCL
968 - 973' KB	150 gals 15% HCl, flushed w/20 bbls 2% KCL
Both intervals frac'd with	29,650 gals cross-linked gel containing 100,000# of 16/30 mesh brady sand

28. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)			Well Status (Prod. or Shut-in) SI:WOPL		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	

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

Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Tod H. Haanes Printed Name Tod H. Haanes Title Production Engineer Date 7-13-2006
 E-mail Address thaanes@westerngas.com

7-19-06

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T. <u>Middle Fruitland Coal</u> 967'
T. Blinbry	T. Gr. Wash	T. Morrison	T. <u>Basal Fruitland Coal</u> 1,051'
T. Tubb	T. Delaware Sand	T. Todilto	T. <u>Pictured Cliffs Sandstone</u> 1,108'
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology