

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator *Richardson et al*
Lance Oil & Gas Company, Inc.3a. Address
P. O. Box 70, Kirtland, NM 874173b. Phone No. (include area code)
505-598-56014. Location of Well (Footage, Sec., T., R., M., or Survey Description)
674' FNL & 1883' FWL Sec. 24 T29N - R14W

5. Lease Serial No.

14-20-603-2198-A

6. If Indian, Allottee or Tribe Name

Navajo

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

NV Navajo #3

9. API Well No.

30-045-31423

10. Field and Pool, or Exploratory Area

Basin FC & West Kutz Pictured Cliffs

11. County or Parish, State

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Edit Original APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-5 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Operator, Lance Oil & Gas Company, Inc., respectfully requests changes in the Application to Drill on this well as per attached.

No other changes to the APD approved July 16, 2004 are requested at this time.

RECEIVED
FEB 22 AM 7 45
BLM
70 ARMINGTON NM

- Designation of Successor Operator pending BIA concurrence

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jo Becksted

Title Compliance Administrator

Signature

Date

02/20/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title *Pet. Eng*Date *2/28/05*

Office

FFO

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.

(Instructions on page 2)

NMOCD

Requested Changes to Permit to Drill for the Navajo 24 #3, SE/SW Sec. 24-T29N-R14W,
San Juan County, New Mexico
30-045-31423

Lance Oil and Gas Company, Inc. respectfully requests approval of the following changes to the Permit to Drill for the referenced well:

Drilling Program:

3. Pressure Control:

A rotating head will not be installed as part of the normal pressure control equipment. If conditions warrant, a rotating head will be installed.

Surface casing will be tested to 600 psig.

4. Casing & Cement:

The hole, casing size and cementing operations will be changed to the following:

Hole Size	CSG. O.D.	Weight (lb/ft)	Grade	Cond.	GL Setting Depth
12-1/4"	8-5/8"	24	J-55	New	120'
7-7/8"	5-1/2"	15.5	J-55	New	1,300'

Surface casing will be cemented to surface with approx. 102 cubic feet (approx. 86 sacks) Halliburton STD containing 2% Calcium Chloride and ¼ lb/sack flocele, mixed at 15.6 ppg to yield 1.18 cubic feet per sack.

Production casing will be cemented to surface with approx. 195 cubic feet (approx. 77 sacks) Halliburton Powder River Blend 2 containing ¼ lb/sack flocele, 5 lbs/sack gilsonite and 1% Super CBL mixed at 12.0 ppg to yield 2.55 cubic feet per sack, followed by 122 cubic feet (approx. 61 sacks) Halliburton Powder River Blend 2 containing ¼ lb/sack flocele, 5 lbs/sack gilsonite and 1% Super CBL mixed at 13.0 ppg to yield 2.0 cubic feet per sack. Cement will be displaced to the float with a wiper plug and fresh water. Total cement volume will be approximately 317 cubic feet based on calculated hole volume plus 30% excess with cement designed to circulate to surface.

Production casing will have a 5-1/2" cement guide shoe with a float collar installed one joint above the shoe. Five centralizers will be spaced on every other joint starting with the first collar 10' above the shoe. A centralizer will be installed on the remaining casing on every third joint.

Surface Use Plan:

4. Proposed Production Facilities:

Produced water WILL NOT be discharged into the reserve pit. All produced water will be contained in test tanks or will be piped to a disposal well.

13. Representation:

Questions regarding the Application for Permit to Drill should be directed to:

Paul Lehrman or Anne Jones
Lance Oil & Gas Company, Inc.
99 Road 6500
Kirtland, New Mexico
87417
505-598-5601

Field Representative will be

Doug Zentz or Doug Barone
Lance Oil & Gas Company, Inc.
99 Road 6500
Kirtland, New Mexico
87417
505-598-5601