

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS - 9 AM 10:40

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 ☐ Other

2. Name of Operator Lance Oil & Gas Company

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)
1075' FSL and 715' FEL Section 9, T29N, R14WFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 20075. Lease Serial No.
NA SF-0799686. If Indian, Allottee or Tribe Name
NA7. If Unit or CA/Agreement, Name and/or No.
NMNM1082248. Well Name and No.
Ropco 9 #29. API Well No.
30-045-3096310. Field and Pool, or Exploratory Area
Twin Mounds Picture Cliffs11. County or Parish, State
San Juan County, NM

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplate 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 recompletion in a new interval, a Form 3160-4 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.)

Lance Oil & Gas Company, Inc., proposes to plug and abandon the above referenced well according to the attached procedure.

RCVD FEB14'07
OIL CONS. DIV.

DIST. 3

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

Tod H. Haanes

Title Production Engineer

Signature

Tod H. Haanes

Date

2/9/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

FEB 09 2007

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.

Office

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)

NMOC

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PLUG AND ABANDONMENT PROCEDURE

January 17, 2007

ROPCO 9 #2

Twin Mounds Pictured Cliffs
1075' FSL and 715' FEL, Section 9, T29N, R14W
San Juan County, New Mexico / API 30-045-30963
Lat: N _____ / Lat: W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. Project will use a steel waste pit.
2. Install and test rig anchors. Comply with all NMOCD, BLM and Lance safety rules and regulations. Spot a steel waste fluid pit. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary.
3. ND wellhead and NU BOP; test the BOP. TOH and tally 2.375" tubing, total 822'. If necessary LD tubing and use a tubing workstring.
4. Plug #1 (Pictured Cliffs interval and Fruitland Coal top, 744' - 516'^{438'}): TIH with tubing. Mix and pump total 40 sxs Type III cement, (70% excess, long plug) to fill Pictured Cliffs perforations and cover the Pictured Cliffs and Fruitland Coal tops. PUH above cement and WOC. Pressure test casing to 800#. If casing does not test, spot or tag subsequent plugs as appropriate. TOC should be at 516' or higher. PUH to 182'.
5. Plug #2 (7" casing shoe, 182' - Surface): Connect the pump line to the bradenhead valve. Pressure test the BH annulus to 300#; note the fluid volume to load. If the BH annulus tests, then mix 20 sxs Type III cement and spot a balanced plug inside the 4.5" casing to cover the 7" surface casing shoe, circulate cement to surface out the casing valve. TOH and LD the tubing. If the BH annulus does not test, then perforate at the appropriate depth and fill the bradenhead annulus to surface. TOH and LD tubing. Shut in well and WOC.
6. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

ROPCO 9 #2**Current****Twin Mounds Pictured Cliffs****1075' FSL & 715' FEL, Section 9, T-29-N, R-14-W****San Juan County, NM / API #30-045-30963**

Lat: N _____ / Long: W _____

Today's Date: 1/17/07

Spud: 8/12/02

Compr: 9/13/02

Elevation: 5335' GI
5340' KB

Kirtland @ Surface

8.75" Hole

TOC circulated to surface per
Sundry Notice and 75% Calc.7" 20#, Casing set @ 132'
100 sxs cement, circulated to surface**WORKOVER HISTORY**Email from T. Erwin indicated
casing parted at 804'

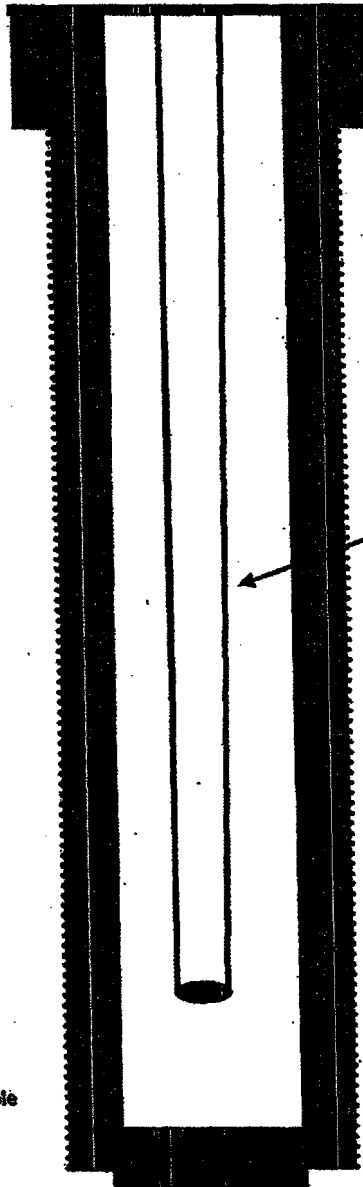
2.375" Tubing set at 822'

Fruitland Coal @ 556'

Pictured Cliffs @ 790'

Pictured Cliffs Perforations:
794' - 810'

6.25" Hole

4.5", 10.5# K-55 Casing @ 994'
Cemented with 135 sxs, circ to surfaceTD 1000'
PBD 915'

ROPCO 9 #2

Proposed P&A

Twin Mounds Pictured Cliffs

1075' FSL & 715' FEL, Section 9, T-29-N, R-14-W
San Juan County, NM / API #30-045-30963

Lat: N _____ / Long: W _____

Today's Date: 1/17/07

Spud: 8/12/02

Comp: 9/13/02

Elevation: 5335' GI

5340' KB

Kirtland @ Surface

Fruitland Coal @ 556'

Pictured Cliffs @ 790'

8.75" Hole

6.25" Hole

TOC circulated to surface per
Sundry Notice and 75% Calc.

7" 20# Casing set @ 132'
100 sxs cement, circulated to surface

Plug #2: 182' - 0'
Type III cement, 20 sxs

Plug #1: 860' - 516'
Type III cement, 40 sxs
(70% excess, long plug)

Pictured Cliffs Perforations:
794' - 810'

4.5", 10.5# K-55 Casing @ 894'
Cemented with 135 sxs, circ to surface

TD 1000'
PBTD 916'