

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  
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)  
1067' FNL & 791' FEL, Sec. 28, T30N, R14W, NMPM

5. Lease Serial No.

NMNM-97843

6. If Indian, Allottee or Tribe Name

NA

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

N/A

8. Well Name and No.

WF Federal 28 #1R

9. API Well No.

30-045-30851

10. Field and Pool, or Exploratory Area  
Basin Fruitland Coal

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 type="checkbox"/> Other To Complete Basin
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<input type="checkbox"/> Fruitland Coal
	<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.)

Operator, Lance Oil & Gas Company, Inc. proposes to produce the Basin Fruitland Coal formation in this well as follows: Isolate, frac, and test the S9 coals. The well is currently perforated only in the S8 coal from 1103-1120. A plug will be set to temporarily close-off this production while the S9 coals are perf'd, frac'd and tested. The production from the S8 coals and the PC is down to only about 15 MCF/D, so shutting-in the production from the S8 while this test is done will not have a strong impact on field production. After production is established from the S9 interval, the plug will be removed and the well will be produced from both Fruitland coal intervals. The frac will be a single-stage Halliburton Delta-frac with Sand-Wedge. The frac interval is proposed to be the Upper Fruitland Coalformation, from 965' to 1071'. Spearhead with 10% Formic Acid, 500 gals, frac with 66,746 gal gelled fluid, and 160,000# 20/40 Brady sand in seven stages. Flush with 646 gal 2% KCl water. The following are the specific recommended perforation intervals and the GR-Neutron log with intervals:

Stage 1 - 45 total shots

Perfs	Zone	Density	# Shots	Shot Dia.	Phasing
965	FC (S9)	3 SPF	3 Shots	.41	120 Deg Phasing
976	FC (S9)	3 SPF	3 Shots	.41	120 Deg Phasing
1023-28	FC (S9)	3 SPF	18 Shots	.41	120 Deg Phasing
1060-62	FC (S9)	3 SPF	12 shots	.41	120 Deg Phasing

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

Jo Becksted

Title Compliance Administrator

Signature

Date

12/08/2004

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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)

NMOCD