

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

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 ☐ Other

2. Name of Operator
Lance Oil & Gas Company, Inc.

3a. Address
P. O. Box 70, Kirtland, NM 87417

3b. Phone No. (include area code)
505-598-5601

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
830' FSL & 1130' FEL - Section 30, T30N-R14W, NMPM

5. Lease Serial No.
NMNM-99003

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
23339

8. Well Name and No.
WF Federal 30 #2

9. API Well No.
30-045-31307

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal & Twin Mo. PC

11. 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 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 checked="" 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 to edit 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 recompleting 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 recompleting 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. respectfully requests changes in the Application to Drill on this well.

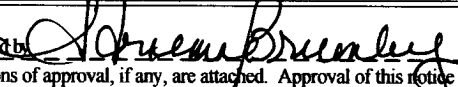
In a sundry approved 11/12/04, Lance Oil & Gas Company changed the casing and cementing to a 12-1/4" surface casing hole to conform to company drilling procedures. However, Lance Oil & Gas Company, Inc. has encountered unforeseen rig availability issues and has since employed a Beeman Bros rig that is geared up to drill 11" surface casing holes. The cementing volume will be reduced accordingly. "Waiting on Cement" time will be as per cementing company recommendation, but will in no event be less than 6 hours. Also, The APD under "3. Pressure Control" states that "... BOP Equipment will include a kelly cock, floor safety valve and choke manifold rated to 2000 psi. ..." Due to the length of the kelly cock in relation to the clearance in the derrick, and/or the lack of availability of a kelly cock, it is not currently possible to utilize a kelly cock.

Therefore, Operator, Lance Oil & Gas Company Inc., respectfully requests that the APD be further amended to drill an 11" surface casing hole and reduce the cement volume accordingly. Lance Oil & Gas Company, Inc. also respectfully requests a waiver to eliminate the requirement of a kelly cock at the present time, and run a floor safety check valve in the drill string, at least until a kelly cock or Full Opening Safety Valve (acting as a lower Kelly Valve) is available and installed. No other changes to the APD approved 7/26/04 are requested at this time.

85/8" casing, 24#, J-55

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 	Title Pet. Eng	Date 2/25/05
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 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)

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