

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., 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

Form C-103

May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30 - 045 - 32900
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>Water Disposal Well</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Lance Oil and Gas Company, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 70, Kirtland, NM 87417		7. Lease Name or Unit Agreement Name Salty Dog
4. Well Location Unit Letter <u>B</u> : <u>1,030</u> feet from the <u>North</u> line and <u>1,365</u> feet from the <u>East</u> line Section <u>16</u> Township <u>29N</u> Range <u>14W</u> NMPM County <u>San Juan Co, NM</u>		8. Well Number #5
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5,213' GL</u>		9. OGRID Number 229938
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Entrada
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: **SWD Permit Revision** ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Lance Oil and Gas Company, Inc. (Lance) requests approval to revise the previously approved Administrative Order SWD - 971 dated March 4, 2005. The original permit authorizes "the injection of produced water for disposal purposes into the Entrada formation through perforations from 6,625 feet to 6,750' through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval".

Lance did not realize the impact of the approved pre-drilling SWD Permit and has already perforated the Entrada formation from 6,514' - 44' KB, 6,564' - 94' KB and 6,614' - 6,644' KB. Lance perceived the permit to be specific to the Entrada formation and not the perforation intervals and apologizes for any confusion. Pursuant to conversation Erwin / Perrin / Hayden on 12/16/05, the NMOCD Aztec Division is aware of the error and has tentatively identified the Entrada top and bottom as plus or minus 6,406' KB and 6,658' KB, respectively.

Your timely approval would be very much appreciated.

*AS Approved by
Will Jones 2-8-06
SWD 971 A*

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Thomas M. Erwin 12/16/05 TITLE Sr. Petroleum Engineer DATE 12/16/05
 Type or print name Thomas M. Erwin, P.E. E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601
For State Use Only

APPROVED BY: Charlie D. TITLE SUPERVISOR DISTRICT # 3 DATE DEC 21 2005
 Conditions of Approval (if any):