

Submit 3 Copies To Appropriate District Office  
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

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30 - 045 - 32900
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Salty Dog
8. Well Number #5
9. OGRID Number 229938
10. Pool name or Wildcat Entrada

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

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

3. Address of Operator  
P. O. Box 70, Kirtland, NM 87417

4. Well Location  
Unit Letter B : 1,030 feet from the North line and 1,365 feet from the East line  
Section 16 Township 29N Range 14W NMPM County San Juan County, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5,213' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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: ☒ Frac

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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 & Gas Company, Inc (Lance) requests approval to frac the Salty Dog #5 down 5-1/2" casing with Halliburton Delta 200 Cross-Linked gel containing approximately 400,000 20/40 Ottawa sand.

Lance intends on running a 5-1/2" packer on 2-7/8" plastic coated tubing and setting at 6,427' KB, running a Mechanical Integrity Test (MIT) witnessed by the NMOCD and commencing injection under the originally approved Administrative Order SWD - 971-A dated February 8, 2006.

Your timely approval would be appreciated as we have a rig in the area. Pls feel free to call Tom Erwin (cell - 947-2414) if you have any questions or comments.

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 TITLE Production Superintendent DATE 6/20/06  
Type or print name Thomas M. Erwin, P.E. E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601 Ext. 5563  
For State Use Only

APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 1 DATE JUL 10 2006  
Conditions of Approval (if any):

NMOCD