

RCVD MAR7'07

OIL CONS. DIV.
DIST. 3

submitted in lieu of Form 3160-5

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**
Sundry Notices and Reports on Wells

2007 MAR -1 PM 2:07

RECEIVED

BLM

210 FARMINGTON NM

1. **Type of Well**
Oil

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

3. **Address & Phone No. of Operator**

P.O. Box 70, Kirtland, NM 87417

Location of Well, Footage, Sec., T, R, M

890' FNL & 890' FEL, Section 27, T-29-N, R-14-W,

5. **Lease Number**
14-20-603-2168A
6. **If Indian, All. or
Tribe Name**
Navajo Nation
7. **Unit Agreement Name**

NW Cha Cha Unit

8. **Well Name & Number**
NW Cha Cha Unit #39

9. **API Well No.**
30-045-07920

10. **Field and Pool**
Cha Cha Gallup

11. **County & State**
San Juan, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment**Type of Action**☒ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☐ Other -☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut off☐ Conversion to Injection

13. Describe Proposed or Completed Operations

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

14. I hereby certify that the foregoing is true and correct.

Signed Thomas M. Quinn 2/28/07 Title Production Superintendent Date 2/21/07
Thomas M. Quinn, P.E.

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen Mason Title _____
CONDITION OF APPROVAL, if any:

Date MAR 05 2007

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.

NMOCD

NW Cha Cha Unit #39 – Gallup PLUG AND ABANDONMENT PROCEDURE

890' FNL & 890' FEL
NE, Section 27, T29N, R14W
San Juan County, NM API #30-045-07920
Latitude: N _____ Longitude: W _____

2/14/07

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. 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.

Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Lance safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary. ND wellhead and NU BOP. Test BOP.

1. TOH and tally tubing. Note: do not know size or depth of tubing. Inspect tubing and if necessary LD and PU workstring. Round-trip 5.5" gauge ring to 5172'.
2. **Plug #1 (Gallup perforations and top, 5172' – 4915')**: TIH and set cement retainer at 5172'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 1000#. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 31 sxs cement and spot a balanced plug inside the casing to cover the Gallup interval. TOH with tubing.
3. **Plug #2 (LaVentana top, 2235' – 2135')**: Perforate 3 HSC squeeze holes at 2235'. If the 5.5" casing tested, then attempt to establish rate into the squeeze holes. Set a 5.5" cement retainer at 2185'. Establish rate below CR. Mix and pump 43 sxs Type III cement, squeeze 27 sxs outside the 5.5" casing and leave 16 sxs inside the casing to cover the LaVentana top. TOH with tubing.
4. **Plug #3 (Pictured Cliffs and Fruitland tops, 1278' – 805')**: Perforate 3 HSC squeeze holes at 1278'. If the 5.5" casing tested, then attempt to establish rate into the squeeze holes. Set a 5.5" cement retainer at 1228'. Establish rate below CR. Mix and pump 178 sxs Type III cement, squeeze 125 sxs outside the 5.5" casing and leave 53 sxs inside the casing to cover through the Fruitland top. TOH and LD tubing.
5. **Plug #4 (9.625" casing shoe, 269' - Surface)**: Perforate 3 HSC squeeze holes at 269'. Establish circulation to surface down the 5.5" casing and out the bradenhead valve, circulate the BH annulus clean. Mix approximately 100 sxs cement and pump down the 5.5" casing to circulate good cement from 269' to the surface. Shut in well and WOC.
6. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

NW Cha Cha Unit #39

Current

Cha Cha Gallup

890' FNL & 890' FEL, Section 27, T-29-N, R-14-W

San Juan County, NM / API #30-045-07920

Lat: N _____ / Long: W _____

Today's Date: 2/14/07

Spud: 3/30/60

Comp: 5/6/60

Elevation: 5736' GL

5746' KB

12.25" Hole

9.625", 36# J-55 Casing set @ 219'
225 sxs cement circulated to surface

WELL HISTORY

Dec '94: Isolate casing leaks 3871' – 3901' and 3060' – 3090', squeeze with 200 sxs neat cement. PT casing to 700#. Return to production.

Jul '01: Tubing stuck at 4393'. Found stuck TA. Dress off fish. Retrieve fish and tubing anchor. Tag fill at 5324'. Bail to 5381'. Acidize perms.

Unknown tubing size or depth in well

Fruitland @ 855'

Pictured Cliffs @ 1228'

LaVentana @ 2185'

Isolate casing leaks 3060' – 3090' and 3871' – 3901'; squeeze with 200 sxs. (1994)

Top of Cement @ 4400' (T.S.)

Gallup @ 4965'

Gallup Perforations:
5222' – 5244'

5322' – 5344'

7.875" Hole

5.5", 15.5# J-55 Casing @ 5500'
Cemented with 200 sxs

Cmt plug from 5850' to 6105'
with 105 sxs cement (1960)

Dakota @ 5930'

TD 6105'
PBTD 5850'
COTD 5450'

NW Cha Cha Unit #39

Proposed P&A

Cha Cha Gallup

890' FNL & 890' FEL, Section 27, T-29-N, R-14-W

San Juan County, NM / API #30-045-07920

Lat: N _____ / Long: W _____

Today's Date: 2/14/07

Spud: 3/30/60

Comp: 5/6/60

Elevation: 5736' GL

5746' KB

12.25" Hole

Fruitland @ 855'

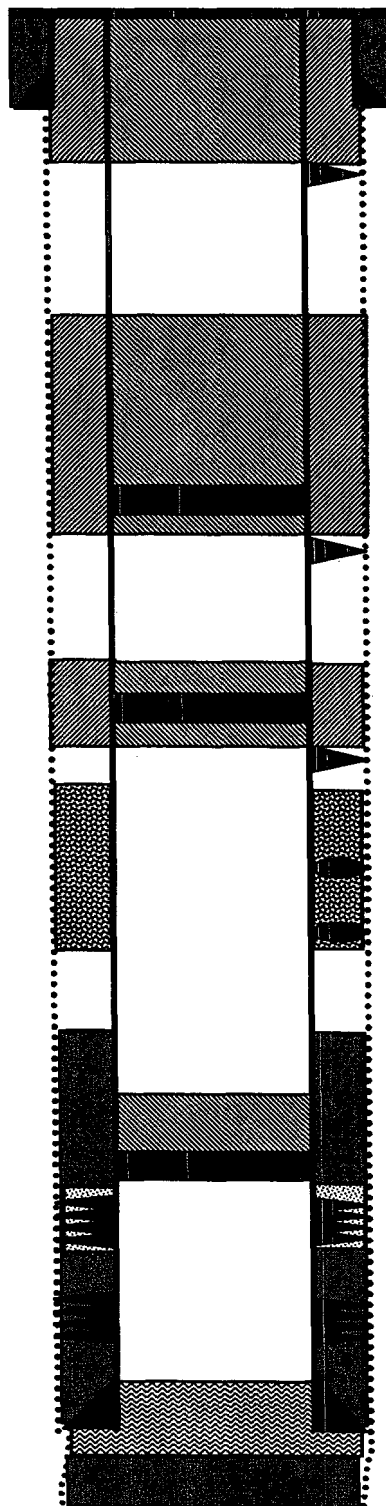
Pictured Cliffs @ 1228'

LaVentana @ 2185'

Gallup @ 4965'

7.875" Hole

Dakota @ 5930'



9.625", 36# J-55 Casing set @ 219'
225 sxs cement circulated to surface

Perforate @ 269'

Plug #4: 269' - 0'
Type III cement, 100 sxs

Plug #3: 1278' - 805'
Type III cement, 178 sxs:
125 outside and 53 inside

Cmt Retainer @ 1228'

Perforate @ 1278'

Plug #2: 2235' - 2135'
Type III cement, 43 sxs:
27 outside and 16 inside

Cmt Retainer @ 2185'

Perforate @ 2235'

Isolate casing leaks 3060'-
3090' and 3871' - 3901';
squeeze with 200 sxs. (1994)

Top of Cement @ 4400' (T.S.)

Plug #1: 5172' - 4915'
Type III cement, 31 sxs

Set CR @ 5172'

Gallup Perforations:
5222' - 5244'

5322' - 5344'

5.5", 15.5# J-55 Casing @ 5500'
Cemented with 200 sxs

Cmt plug from 5850' to 6105'
with 105 sxs cement (1960)

TD 6105'
PBTD 5850'
COTD 5450'