

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

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

WELL API NO.
30-045-30069

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
E-3150-11

7. Lease Name or Unit Agreement Name

WF State 36

8. Well Number 2

9. OGRID Number

10. Pool name or Wildcat
Basin Fruitland Coal

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

3. Address of Operator

P.O. Box 70 Kirtland, NM 87417

4. Well Location

Unit Letter H : 1600 feet from the north line and 960 feet from the east line

Section 36 Township 30N Range 15W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5320' GL

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: Downhole Commingle ☐

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.

On April 11 - 17, 2007 the WF State 36 #2 was P&A'd per the following:

- 15 bbls. of water was pumped into the well bore.
- Cement plug #1 was 4 sacks from 690-670 feet.
- Perforated casing from 665-666' GL.
- Milled the casing and flushed cuttings from 596-622' GL.
- Cement plug #2 was 57 sacks from 670-413 feet.
- Successfully pressure tested well bore above the 413' TOC.
- Cement plug #3 was 40 sacks from 413 feet to surface. Good cement came out the casing valve.
- A P&A marker was installed.

RCVD APR23'07

OIL CONS. DIV.
DIST. 3

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 NMOCDC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tod H. Haanes TITLE Production Engineer DATE 4/19/2007

Type or print name Tod H. Haanes E-mail address: tod.haanes@anadarko.com Telephone No. (505) 598-5601 ext. 15564

For State Use Only

APPROVED BY: Monica Kuehling TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE APR 23 2007

Conditions of Approval (if any):

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

Lance Oil and Gas Company, Inc.

WF State 36 #2

April 17, 2007

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1600' FNL & 960' FEL, Section 36, T-30-N, R-15-W

San Juan County, NM

Lease Number: E-3150-11

API #30-045-30069

Plug & Abandonment Report

Notified NMOCD on 4/11/07 and 4/16/07

Summary:

4/11/07 MOL and RU. Check well pressure: casing, 30 PSI; tubing, 30 PSI, bradenhead, 0 PSI. Blow down well. Unhang rods and LD polish rod. TOH and LD 24 - 3/4" guided rods and 2" x 1.25" x 12' insert pump. Kill well with 15 bbls of water. ND wellhead. NU BOP with companion flange. Test BOP. TOH and LD 19 joints 2.375" tubing and SN. RU Jet West wireline. Run Gamma Neutron log and Gyro directional survey. RD Jet West wireline. RIH and tag fill at 651'. Clean out fill to 690' GL.
Plug #1 with 24sxs Type III cement (6 cf) inside casing from 690' to 631' to cover the Pictured Cliffs top.
PUH to 668' and reverse circulate well clean. Need to perforate at 665'. TOH with tubing. Shut in well. SDFD. Note: No observed H₂S levels in this well.

4/12/07 Check well pressure: casing, 20 PSI. Blow well down. RIH and tag cement from plug #1 at 670'. Perforate 4 holes from 665' to 666' GL. RD wireline unit. PU a 3.875" Baker Oil Tools section mill with 6" metal muncher arms and 3.938" tapered mill on bottom, bit sub, 6 - 3.125" drill collars, and 2.875" PAC drill pipe BHA). TIH to 596' and RU power swivel. Fill the 4.5" casing with drilling mud at 2.5 bpm at 700 PSI. Make initial cut in 4.5" casing at 596'. Section mill 4.5" casing from 596' to 610' GL. Circulate hole clean. PUH 20'. Shut in well. SDFD.

4/13/07 Open well, no pressure. TOH with BHA and inspect section mill. Found mill damage and missing blades. TIH with new section mill to 610'. PU power swivel and mix 35 sxs Haliburton quick gel. Establish circulation with mud. Establish rate 2-1/2 bpm at 750 PSI. Section mill 4.5" casing from 610' to 619' GL. Circulate hole clean. TOH with BHA and inspect mill. Blades missing on section mill. Shut in well. SDFD.

4/16/07 Open well, no pressure. PU 3.938" tapered mill and new section mill. TIH to 619' and establish circulation with mud (47 viscosity). Section mill 4.5" casing from 619' to 622' GL. Circulate hole clean. TOH and LD BHA and section mill. TIH with open ended 2.375" tubing to 670'. Connect pump hose to bradenhead valve. Load BH annulus with 1/16 bbl of water. Pressure test BH annulus to 400 PSI, held OK for 5 minutes. Circulate 4.5" casing clean with 15 bbls of water.
Plug #2 with 37 sxs Type III cement (49 cf) with 15% salt inside the 4.5" casing from 670' up to 125' including the section milled interval from 596' to 622' to fill the Fruitland coal zones and to cover the Fruitland top.
TOH with tubing. Displace cement to 400', squeezing 20 sxs outside casing. Shut in well with 750 PSI. SDFD.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

Lance Oil and Gas Company, Inc.
WF State 36 #2

April 17, 2007
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Work Summary – Continued:

4/17/07 Open up well, no pressure. TIH with tubing and tag cement at 413'. Circulate well clean with 6 bbls of water. Pressure test casing to 600 PSI, held OK for 10 minutes.

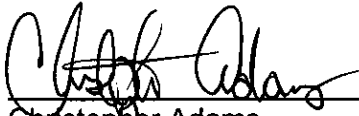
Plug #3 with 40 sxs Type III cement (53 cf) inside 4.5" casing from 413' to surface; circulate good cement out casing valve.

TOH and LD all tubing. ND BOP. Dig out wellhead. Issue Hot Work Permit. Cut off wellhead. Mix 20 sxs Type II cement (20 cf) and install P&A plate.

RD and MOL.

J. Estrada, Baker Tools fisherman, was on location.

I hereby certify that the forgoing is true and correct:



Christopher Adams

Field Supervisor

A-Plus Well Service, Inc.