

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. 30-045-30358
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-3150

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.)		7. Lease Name or Unit Agreement Name WF State 36
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		8. Well Number 3
2. Name of Operator Lance Oil & Gas Company		9. OGRID Number
3. Address of Operator P.O. Box 70 Kirtland, NM 87417		10. Pool name or Wildcat Basin Fruitland Coal
4. Well Location Unit Letter <u>N</u> : <u>1385</u> feet from the <u>south</u> line and <u>1805</u> feet from the <u>west</u> line Section <u>36</u> Township <u>30N</u> Range <u>15W</u> NMPM San Juan County		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5275' GL		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 March 5-27, 2007 the WF State 36 #3 was P&A'd per the following:

- 33 bbls. of water was pumped into the well bore.
- Cement plug #1 was 9 sacks from 626-530 feet.
- Milled the casing and flushed cuttings from 468-498' GL.
- Cement plug #2 was 45 sacks from 530-310 feet.
- Cement plug #3 was 27 sacks from 310 feet to the 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 NMOCD 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 Kuchling 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 #3

March 30, 2007

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1385' FSL & 1805' FWL, Section 36, T-30-N, R-15-W

San Juan County, NM

Lease Number: E-3150

API #30-045-30358

Plug & Abandonment Report

Notified NMOCD 3/16/07 and 3/19/07

Summary:

- 3/5/07 MOL and RU. RU Advanced Safety (H2S supervision). H2S level: 7ppm. Check well pressure: tubing, 10 PSI; casing, 25 PSI. Blow well down to pump truck tubs. Unhang well. Unseat pump. LD polish rod. TOH and LD 21 - 3/4" rods and 2" x 1.25" x 14' insert pump. ND wellhead. NU BOP with 5.5' tubing and 8.625" companion flange. PU tongs. SDFD.
- 3/6/07 Check well pressure: casing, 10 PSI; tubing, 0 PSI. TOH and LD 19 joints 2.375" J-55 tubing, SN and mud anchor. ND BOP. NU wellhead. RD. MOL.
- 3/19/07 MOL and RU. Check well pressures: casing, 30 PSI; bradenhead, 0 PSI. Blow well down. Advanced Safety on location. H2S alarms went off at 62 ppm. Shut in well. Pump 15 bbls of fresh water down casing to kill well. ND wellhead. NU BOP. Dig out bradenhead and install good 2" valve. PU 2.375" tubing and TIH; tag fill at 634' GL. PUH to 626' GL. Circulate hole clean with 18 bbls of water.
Plug #1 spot 9 sxs Type III cement (12 cf) inside casing from 626' to 494' to cover the Pictured Cliffs interval. PUH to 530' GL. Reverse circulate hole clean for section milling. TOH with tubing. SDFD.
- 3/20/07 Open well, no pressures. No H2S. Advanced Safety released. PU 3-7/8" Baker section mill, bit sub, 6 - 3.125" drill collars with 2.875" PAC drill pipe. Mill out from 468' GL to 477' GL. Circulate well clean. PUH into 4.5" casing. SDFD.
- 3/21/07 Open up well. No pressure. No H2S. Mill out to 482' GL. TOH with drill pipe and BHA. Found 1 blade on each arm broken. PU new 3-7/8" section mill and TIH with drill pipe and BHA. Mill to 486' GL. Circulate well clean. PUH 25' into 4.5" casing. SDFD.
- 3/22/07 Open up well. No pressure. No H2S. Mill section at 486' GL. TOH with drill pipe and BHA. Found all blades missing off arms. PU new 3.875" section mill and TIH with drill pipe and BHA. Mill to 489' GL. PUH 30' in 4.5" casing. SDFD.
- 3/23/07 Open up well. No pressure. No H2S. RIH to 489'. Mill section at 490' GL. Note: 4.5" casing split below tubing head. Circulate well clean and PUH 30'. Check for gas with monitor. LEL 0%. Call out welder. Issue Hot Work Permit. Repair casing and tubing head. Mill out to 494' GL. Circulate well clean. PUH 30' into 4.5" casing. SDFD.

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WF State 36 #3

March 30, 2007
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Work Summary – Continued:

3/26/07 Open up well. No pressure. No H₂S. RIH with 1 joint drill pipe. Mill out to 495' GL. TOH with drill pipe and BHA. Found blades missing off arms. PU new 3.875" section mill and TIH with drill pipe and BHA. Mill to 498' GL. TOH with tubing and LD BHA. TIH with open ended tubing and tag Plug #1 at 530' GL. Attempt to pressure test bradenhead; leak where casing patch welded. Estimate TOC at 12'. Circulate hole clean with 15 bbls of water.

Plug #2 mix and pump 30 sxs Type III cement (40 cf) with 15% salt from 530' to 305' to cover Pictured Cliffs and Fruitland interval.

TOH with tubing. Load casing with 2 bbls of water. Close rams and pump 2.5 bbls of water; squeeze 15 sxs outside 4.5" casing and leave 15 sxs inside casing to 335'. SDFD.

3/27/07 Open up well, no pressures. No H₂S. TIH with tubing and tag cement at 310' GL. Circulate well clean with 6 bbls of water. Attempt to pressure test casing to 500 PSI, welding job on wellhead leaking.

Plug #3 mix and pump 27 sxs Type III cement (36 cf) inside casing from 310' to surface, circulate good cement. TOH and LD tubing. ND BOP. Dig out wellhead. Issue Hot Work Permit. Cut off wellhead. Found cement down 20' in 4.5' casing and 15' in 7" casing.

Mix 15 sxs Type II cement (20 cf) and install P&A plate. MOL.

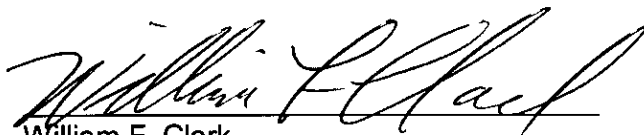
J. Estrada, Baker Tools fisherman, was on location.

T. Erwin, Lance Oil & Gas representative, was on location.

K. Roberts, NMOCD representative, was on location.

I hereby certify that the forgoing is true and correct:

Original signed



William F. Clark

President

A-Plus Well Service, Inc.