

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

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

3a. Address
P.O. Box 70, Kirtland NM 874173b. Phone No. (include area code)
505-598-5601

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 35- T29 R14W 800' FNL & 1835' FWL

5. Lease Serial No.

14-20-603-2172

6. If Indian, Allottee or Tribe Name

Navajo

7. If Unit or CA/Agreement, Name and/or No.

N/A

8. Well Name and No.

NV Navajo 35 #2

9. API Well No.

30-045-31437

10. Field and Pool, or Exploratory Area

BA. Friut coal & W Kutz PC

11. County or Parish, State

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|--|---|--|--|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Requested changes to permit to drill |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Lance Oil & Gas Company respectfully requests the following changes to the approved APD:

Hole size- 11" Casing OD 8-5/8", Weight 24 lb/ft, Grade K-55 New, Depth 120' Surface casing will be tested to 600 psig.

Hole size 7-7/8", Casing OD 5-1/2", Weight 15.5 lb/ft, K-55 New, Depth 1,300'.

Surface casing will be cemented to surface with 61 cubic feet (approx. 51 sacks)

Standard class B with 2% CaC12 and 0.25 lb/sk flocele, mixed at 15.6 to yield 1.18 cubic ft per sack. wait on cement time will be as per cement company's recommendation., but not less than 6 hours. Production casing will be circulated at least 1.5 times the hole volume prior to cementing. Cement will be preceded with approx. 15 to 30 bbls of freshwater. Cement with approx. 290 cubic ft of cement consisting of the following: Lead with 183 cubic ft (93 sacks) 65/35 Pozmix with 6% gel, 2% CaC12, 10lbs/sk gilsonite and 1/2 lb/sk flocele, mixed at 12.4 ppg to yield 1.96 cubic ft per sack. Tail with 107 cubic ft (80 sacks) 50/50 Pozmix with 2% gel, 2% Ca C12, 5lbs/sk gilsonite, 0.3% HALAD 344, 1/2 lb/sack flocele mixed @ 13.5 ppg to yield 1.33 cubic ft per sack. Total cement volume is 290 cubic ft based on calculated hole volume plus 30 % excess and designed to circulate cement to surface. Production casing will have 5 1/2" cement guide shoe and self fill float collar.

Mud program statement is modified to state that material to contain a blowout will not be available on location but will be located at a nearby stock point that is readily accessible 24 hours per day.

Anyone having questions concerning the APD should call: Mr. David Gomendi, Lance Oil & Gas Company, Inc., San Juan Basin Business Unit Manager, 1099 18th St, Suite 1200, Denver, CO, 80202-1959. (303)-252-6218 Office, (720)-284-7746 Cell. Field Representative: Mr. Doug Barone, Lance Oil & Gas Company, Inc. Field Superintendent, 99 Rd 6500 Kirtland, NM, 87417, (505)598-5601 Office, (505) 947-1195 Cell

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

D P BARONE

Title Field Sup't

Signature [Signature]

Date 3-8-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [Signature]
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title Pet. Eng

Office PFO

Date 3/10/05

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully 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.

(Instructions on page 2)

NMOOD