

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  
March 4, 2004

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

WELL API NO: 30-045-31055
5. Indicate Type of Lease Fed #14-20-603- STATE <input type="checkbox"/> FEE <input type="checkbox"/> 2199
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name NV Navajo 21
8. Well Number #3
9. OGRID NO 229938
10. Pool name or Wildcat West Kutz PC/Basin Fruitland Coal

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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-104) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Lance Oil & Gas Company, Inc.	
3. Address of Operator #99 County Road 6500, P. O. Box 70, Kirtland, NM 87417	
4. Well Location Unit Letter <u>L</u> : <u>1660</u> feet from the <u>South</u> line and <u>710</u> feet from the <u>West</u> line Section <u>21</u> Township <u>29N</u> Range <u>14W</u> NMPM <u>San Juan</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5590' ungraded	
Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)	
Pit Location: UL <u>L</u> Sect <u>21</u> Twp <u>29N</u> Rng <u>14W</u> Pit type <u>Drilling</u> Depth to Groundwater <u>&gt;100'</u> Distance from nearest fresh water well <u>&gt;1000'</u> Distance from nearest surface water <u>&gt;1000'</u> Below-grade Tank Location UL <u>      </u> Sect <u>      </u> Twp <u>      </u> Rng <u>      </u> ; <u>      </u> feet from the <u>      </u> line and <u>      </u> feet from the <u>      </u> line	

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 COMPLETION ☐  
OTHER: Commingling ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☒  
OTHER: Pit Permit ☒

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. requested verbal permission to dig a 12' X 60' X 6' drilling pit on the south side of the well pad in preparation for drilling operations, pursuant to NMOCD Rule 50. Verbal approval given by Denny Foust on April 28, 2005 at 7:53 a.m. Therefore, a drilling pit was constructed in accordance with NMOCD Rule 50 on April 28, 2005.

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 Jo Becksted TITLE Compliance Administrator DATE 5/3/05

Type or print name Jo Becksted E-mail address: jbeckste@westerngas.com Telephone No. (505) 5698-5601 Ext. 58

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 5 DATE MAY - 5 2005  
Conditions of approval, if any: