Form 3160-5 (April 2004)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

## FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

## Lease Serial No. NMSF-079065

## 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.

6. f Indian, Allottee or Tribe Name
NA

| SUBMIT IN TRIPLICATE- Other instructions on reverse side: VED   |  |  |   | 7. If Unit or             | CA/Agreement, Name and/or No.   |  |
|---|--|--|---|---------------------------|---|--|
| 1. Type of Well Oil Well  | Gas Well Other   | 0707   | - μι(hπινοπο ,  | 8. Well Nam               |   |  |
| 2. Name of Operator Lance Oil & Gas Company, Inc.   |  | MT 122370  |   | 9. API Wel                | l No.   |  |
| 3a. Address<br>P. O. Box 70, Kirtland, NM 87417   |  | 3b. Phone No. (include area code)  505-598-5601  10. Field and Pool, or Exploratory Area |   | Pool, or Exploratory Area |   |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  |  | 19 00 00 00 00 00 00 00 00 00 00 00 00 00  |   | Basin Fruitland Coal      |   |  |
| 910' FNL - 1065' FWL<br>Sec. 30-T29N-R13W   |  |  |   | -                         | r Parish, State n County, New Mexico                                    |  |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE REPORT, OR OTHER DATA  |  |  |   |                           |   |  |
| TYPE OF SUBMISSION  | 46 TYPE OF ACTION  |  |   |                           |   |  |
| ✓ Notice of Intent  Subsequent Report  Final Abandonment Notice   | Acidize Alter Casing Casing Repair Change Plans Convert to Injection | Deepen Fracture Treat New Construction Plug and Abandon Plug Back                        | Production (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Disposal |                           | Water Shut-Off Well Integrity Other to produce Fruitland Coal zone only |  |
| 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. |  |  |   |                           |   |  |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereor. If the proposal is to deepen directionally or recomplete 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 recompletion 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, Inc. has completed the FRPC 30 #2 in the Basin Fruitland Coal only. The well will not be commingled at this time.

A Notice of Intent to complete the West Kuctz PC Must be filed if it is to be completed in the Future.

| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)  | 1                             |                                  |  |  |
|---|-------------------------------|----------------------------------|--|--|
| Thomas M. Erwin, P.E.   | Title Senior Production Engin | Title Senior Production Engineer |  |  |
| Signature Thomas Ma Surin   | Date 7/20/05                  | ACCEPTED FOR RECORD              |  |  |
| THIS SPACE FOR FED  | ERAL OR STATE OFFICE U        |                                  |  |  |
| Approved by   | Title                         | JUL 2 2 2005                     |  |  |
| Conditions of approval, if any, are attached. Approval of this notice does not certify that the applicant holds legal or equitable title to those rights in the swhich would entitle the applicant to conduct operations thereon. |                               | FARMINGTUN FIELD UFFICE<br>BY    |  |  |

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.