Form 3160-5 (September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0135
Expires: January 31, 2004

5.	Lease Sérial No.	
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SUNDRY NOTICES AND REP Do not use this form for proposals to abandoned well. Use Form 3160-3 (A	14-20-603-2198-A  6 If Indian, Allottee or Tribe Name  Navajo				
SUBMIT IN TRIPLICATE- Other instructions on reverse side. 7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well Gas Well Other	01075	8. Well Name and No. NV Rachelle 23 #4			
2. Name of Operator Lance Oil & Gas Company, Inc.	36. Phone No. (include area code)	9. API Well No. 30-045-31184			
P. O. Box 70, Kirtland, NM 87417  4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  435' FSL & 2050' FEL - Section 23, Unit O, T29N-R14W, NR	(505-598-5601	10. Field and Pool, or Exploratory Area West Kutz PC Basin FC  11. County or Parish, State  San Juan County, NM			
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
	Deepen Production (State   Production   Production   Production   Production   Production   Production   Production   Production   Recomplete   Production   Prod	Well Integrity  Other to edit APD			
<ol> <li>Describe Proposed or Completed Operation (clearly state all pertir If the proposal is to deepen directionally or recomplete horizontal)</li> </ol>					

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.)

Operator Lance Oil & Gas Company Inc. respectfully requests the following changes in the Application to Drill on this well.

In the APD approved February 24, 2003, under Item 4, "Casing & Cement", the hole size is indicated as 8-3/4", 7" OD Surface Casing, and 6-1/4" hole, 4-1/2" OD Production Casing. However, to conform to Lance Oil & Gas Company, Inc.'s drilling procedures, operator wishes to drill a 12-1/4" surface casing hole to set 8-5/8" 24# J-55 surface casing, and drill a 7-7/8" hole to set 5-1/2" 15.5# production casing. The cementing volume will be increased accordingly. "Waiting on Cement" time will be as per cementing company recommendation, but will in no event be less than 6 hours.

Therefore, Operator, Lance Oil & Gas Company, Inc. respectfully requests that the APD be amended to drill a 12-1/4" surface hole, set 8-5/8" 24# J-55 surface casing, drill a 7-7/8" production casing hole and set 5-1/2" 15.5# production casing and increase the cement volume accordingly.

No other changes to the original APD are requested at this time.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	1				
Thomas M. Erwin, P.E.	Title Senior Production Engineer				
Signature Thomas Mo Sunin about	Date 07/15/2005				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
Approved by Children Street Approval of this gotter does not warr	Title Pet. Ena Date 7/25/05				
Conditions of approval, if any, are attached. Approval of this active does not warn certify that the applicant holds legal or equitable title to those rights in the subject I which would entitle the applicant to conduct operations thereon.					

. 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.