Form 3160-5 (September 2001)

## UNITED STATES DEPARTMENT OF THE INTERIOR

| FORM APPROVED            |   |
|--------------------------|---|
| OM B No. 1004-0135       |   |
| Expires: January 31, 200 | И |

5. Lease Serial No.

| BUREAU | OF LAND | MANAGEMEN | Г |  |
|--------|---------|-----------|---|--|
|        |         |           |   |  |

| SUNDRY NOTICES AND REPORTS ON WELLS                                                                                       |                                                                                                                                                      |                                                                                         |                                                                              | 14 - 20 - 60                                                        |                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 9 |                                                                                                                                                      |                                                                                         |                                                                              |                                                                     | ottee or Tribe Name                                                                                          |
|                                                                                                                           | PLICATE- Other instr                                                                                                                                 |                                                                                         |                                                                              | <i>)</i>                                                            | /Agreement, Name and/or No.                                                                                  |
| 1. Type of Well Oil Well                                                                                                  | Gas Well Other                                                                                                                                       | 07                                                                                      | O FARMINGT                                                                   | 0 1 32728<br>0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1                | and Na                                                                                                       |
| 2. Name of Operator Lance Oil &                                                                                           | Gas Company, Inc.                                                                                                                                    |                                                                                         |                                                                              | NV Navaje<br>9. API Well N                                          |                                                                                                              |
| 3a. Address                                                                                                               |                                                                                                                                                      |                                                                                         | area code)                                                                   | 30 - 045 - 3                                                        | 31303<br>xol, or Exploratory Area                                                                            |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 725' FSL & 1,930' FEL                              |                                                                                                                                                      |                                                                                         | Basin Fruitland Coal / West Kutz Po                                          |                                                                     |                                                                                                              |
| Section 25, T29N - R14W, NM  12. CHECK AI                                                                                 | PPROPRIATE BOX(ES) TO                                                                                                                                | INDICATE NATUR                                                                          | RE OF NOTICE, R                                                              | L                                                                   | County, NM THER DATA                                                                                         |
| TYPE OF SUBMISSION                                                                                                        | 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 (Sta Reclamation Recomplete Temporarily Al Water Disposal         |                                                                     | Water Shut-Off Well Integrity Other                                                                          |
| Attach the Bond under which to following completion of the in-                                                            | ectionally or recomplete horizontal<br>he work will be performed or prov-<br>volved operations. If the operation<br>and Abandonment Notices shall be | ly, give subsurface location<br>ide the Bond No. on file the results in a multiple comp | ns and measured and tro<br>with BLM/BIA. Requir<br>pletion or recompletion i | ne vertical depths of<br>ed subsequent repo<br>in a new interval, a | of all pertinent markers and zones,<br>nets shall be filed within 30 days<br>Form 3160-4 shall be filed once |

Lance Oil & Gas Company, Inc. respectfully requests approval to add the Basin Fruitland Coal (71629) to this well with the originally completed West Kutz Pictured Cliffs.

Please find the NV Navajo 25 #4 amended C - 102 indicating the E/2 proration unit.

CONDITIONS OF APPROVAL Adhere to previously issued stipulations.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

| 1307 978                                                                                                                                                                                                                                                  |                               |  |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--|--|--|
| Thereby certify that the foregoing is true and correct Name (Printed/Typed)                                                                                                                                                                               |                               |  |  |  |
| Thomas M. Erwin, P.E.                                                                                                                                                                                                                                     | le Senior Production Engineer |  |  |  |
| Signature Momas M. Crevin aboles De                                                                                                                                                                                                                       | oste 09/19/2005               |  |  |  |
| Signature Momas M. Grunn 9/29/05  THIS SPACE FOR FEDERAL OR STATE OFFICE USE                                                                                                                                                                              |                               |  |  |  |
| Approved by Matt Halbert                                                                                                                                                                                                                                  | Title PETE. EN6 Date 10/6/05  |  |  |  |
| 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 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 anymatter within its jurisdiction.

(Instructions on page 2)

## State of New Mexico Energy. Minerals & Mining Resources Department OL CONSERVĂTION DIVISION

2040 South Pachecos SEP 29 PM 1 33 Santa Fe. NM 87505

MATERIOED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLATVED APA N.J. 30-045 71629 Basin Fruit 18160 And Hupa Property Code Property Name NV NAVAJO 25 Floration Operator Name Lonce Die + Gas Corroanu 5590 Serface Location Feet from North/South County Lat the Sec Rga. 25 1930". MAUL MAZ 0 29 N SOUTH **EAST** 14 W. 725 Bottom Hole Location & Different From Surface County Feet from North/South | Feet from> East/West Dedication Consolidation Joint 7 Order Na. NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIMISION

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my leachedge and belef. THOMAS SURVEYOR CERTIFICATION I hereby certify that the wel location on this plat was platted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey NAD 27. 36 4[33.07" N MAY 2002 Signature and Section 100 Professional Surjeys 108 IS:3UO" W 1930