

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

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30 - 045 - 33419
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Lance Oil and Gas Company, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 70, Kirtland, NM 87417		7. Lease Name or Unit Agreement Name F LOG 5
4. Well Location Unit Letter <u>N</u> : <u>920</u> feet from the <u>South</u> line and <u>1,800</u> feet from the <u>West</u> line, Section <u>5</u> Township <u>29N</u> Range <u>13W</u> NMPM <u>San Juan</u> County, NM		8. Well Number
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,496' GL		9. OGRID Number 229938
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Basin Fruitland Coal / Fulcher Kutz PC
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐ Casing Sundry ☒

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.

An original spud and surface casing sundry was filed for the F-LOG 5 #3 on April 6, 2006 and approved by the NMOCD on April 12, 2006 (See original Sundry Notice).

NU BOP's on 3/13/06 and pressure tested BOP's, blind rams and pipe rams to 250 psig (low) and 2,000 psig (high). Pressure tested casing shoe to 1,000 psig. Pressure Tests - good. Tag cement at 134' KB. Drill cement down to 190' KB. Drill 7-7/8" hole down to 990' KB on March 14, 2006. Drill pipe became stuck at 378' KB while tripping out of the hole to shut down overnight.

Fishing operations commenced on 3/15/06 and continued on and off until March 25, 2006. Fishing operations entailed milling and pushing 7-7/8" bit down to 930' KB. Three cement plugs were set from approximately 730' KB down to 930' KB. The first two cement plugs were unsuccessful in sidetracking around the 7-7/8" bit. The third sidetrack tagged cement at 730' KB and maneuvered around the 7-7/8" bit.

A new 7-7/8" hole was drilled from 730' KB down to total depth on 4/08/06. Driller's TD- 1,553' KB. Logger's TD, 1,562' KB. Circulate and condition hole. TOOH. Run 37 jts 5-1/2", 15.5 ppg, J-55, LT&C and land casing at 1,542' KB. Cement 5-1/2" casing with 195 sxs as follows: Lead 110 sx Halliburton Type III containing 2% Econolite, 2% Calseal, 6% BWC Salt, 0.3% Versaset, 1/4"/sx flocele, 5#/sx gilsonite and 0.1% Super CBL (Weight - 11.5 ppg, Yield - 2.95 ft3/sx and Water 17.4 gals/sx). Tail - 85 sx Halliburton Type III containing 2% Econolite, 2% calseal, 6% BWC salt, 0.3% Versaset, 1/4"/sx flocele, 5#/sx gilsonite and 0.1% Super CBL (Weight 12 ppg, Yield 2.55 ft3/sx and Water - 14.4 gals/sx).

Displaced cement with 36 bbls fresh water. Full returns throughout. Bumped plug to 1000 psig at 16:30 hrs, 4/10/06. Plug held. Circulate 10 bbls to surface. Rig released at 19:00 hrs 4/10/06.

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 Thomas M. Erwin TITLE _____ DATE 4/25/06
Type or print name Thomas M. Erwin, P.E. E-mail address: terwin@westerngas.com Telephone No. (505) 598-5601 Ext. 5563
For State Use Only
APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE APR 27 2006
Conditions of Approval (if any):