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, 200

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.

14-20-603-2168A

6. If Indian, Allottee or Tribe Name

5. Lease Serial No.

		Navajo Nauon
SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well Gas Well Other		7. If Unit or CA/Agreement, Name and/or No. NW Cha Cha Unit
Oil Well Gas Well Other		8. Well Name and No.
Name of Operator Lance Oil & Gas Company, Inc.		NW Cha Cha Unit #60 9. API Well No.
3a. Address	3b. Phone No. (include area code)	30-045-29125
P. O. Box 70, Kirtland, NM 87417	505-598-5601	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Cha Cha Gallup
1930' FSL & 971' FEL Unit I		11. County or Parish, State
Sec. 27, T29N, R14W, NMPM	·	San Juan County, NM

12. CHECK A	PPROPRIATE BOX(ES) T	O INDICATE NATUR	E OF NOTICE, REPORT, O	R OTHER 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 (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Disposal	Water Shut-Off Well Integrity Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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.)

On June 9, 2006, Operator pulled all tubing and set a bridge plug at 5,220' KB.

Lance Oil and Gas Company, Inc. conducted a Mechanical Integrity Test on the NW Cha Cha #60 well located in Section 27, T29W - R14 W, San Juan County, New Mexico. The MIT commenced at 10:36 hrs, June 9, 2006 and witnessed by Doug Zentz with Lance, Malvina C. Clah with the Navajo Nation EPA, and Monica Kuehling of the NMOCD. The MIT was conducted up to 1000 psig for 30 minutes with no drop in pressure. The pressure chart is attached for your perusal.

This well is now "Temporarily Abandoned".

JUL 2006

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TO LOOMS DIM.

DIST. 3

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14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	<u> </u>	ESSISSION AND A STREET OF THE
Thomas M. Erwin, P.E.	Title Production Superintenden	nt .
Signature Thomas M. From	Date 6/29/06	
THIS SPACE FOR FEDERA	L OR STATÉ OFFICE US	SE
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warr- 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.		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for an	y person knowingly and willfully to m	ake to any tepamaen seageney of the omied

(Instructions on page 2)

JUL 1 1 2006





ANNULAR PRESSURE TEST (Mechanical Integrity Test)

Operator Lance Oil and	Gas Compi	in In Date of Test	600 2006
Well Name 11W Cha Chil			
Location No CE School			14-20-603-2168
State and County NM Core		,	
Continuous Recorder? YES			
Bradenhead Opened? YES			
TIME	ANNULUS	PRESSURE, psi	UBING PRESSURE, psi
1036 Am	1020	1010	gange
1041 Am	1015	1005	
1046 Am	1015	1000	
1051 Am	1015	1000	
1056 Am	1015	1000	
11 01 An	1015	1000	
1106 Am	1015	1000	
		~	
MAX. INJECTION PRESSURE: MAX. ALLOWABLE PRESSUR	E CHANGE: _	PSI PSI (TE	ST PRESSURE X 0.05)
REMARKS: Passed? Failed? I			
Inachie To	4 Bric	tge plug so	5220'
NS) + bg, (rasing only	
Passed MIT			
	:		
A. Mar	•	* 3	
COMPANY REPRESENTATIV	E: (Print and	l Sign)	DATE
A. C. Jak Clark		<u> </u>	
INSPECTOR: (Print and Si	gn)		DATE