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	4

	Expire	s: January	31,200

5.	Lease Serial No.	
	14-20-603-219	8

В	5. Lease Serial No.					
SUNDRY	NOTICES AND REP	ORTS ON WE	LLS	14-20-603-2198		
Do not use this form for proposals to drill for to re-enter an 10 12				6. 7ff Indian, Allottee or Tribe Name		
abandoned we	ell. Use Form 3160-3 (A	APD) for such pro	pposals.	Navajo		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No. NA		
1. Type of Well Gas Well Other			8. Well Name and No.			
2. Name of Operator Lance Oil &	Gas Company, Inc.			Navajo Tribal H#13 9. API Well No.		
3a. Address P. O. Box 70, Kirtland	I, NM 87417	3b. Phone No. (include 505-598-5601	e area code)	30-045-08280 10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec.,				Blanco Mesaverde		
1830' FSL & 1830' FWL - Sec				11. County or Parish, State		
100 150 6 100 1 110				San Juan County, New Mexico		
12. CHECK AI	PROPRIATE BOX(ES) TO	INDICATE NATUI	RE OF NOTICE, R	EPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TY	PE OF ACTION			
✓ Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Standard Reclamation Recomplete	art/Resume)		
	Change Plans	Plug and Abandon	Temporarily Al	bandon		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal			
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.) Lance Oil & Gas plans to Plug & Abandon the Navajo Tribal H#13 as soon as possible. A-Plus Well Service, Inc. has been contracted by Lance to provide P&A operations during November, 2006. Lance Oil & Gas respectfully requests approval to proceed with the attached P&A procedure.						
÷						
14. I hereby certify that the fore	egoing is true and correct					
Name (Printéd/Typed) Tod H. Haanes			Production Engineer	r		
Signature TO	A. Haanes	Date	1 /	øø6		

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason 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.

Date NOV 0 8 2006

Title

Office

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.

PLUG AND ABANDONMENT PROCEDURE

October 11, 2006

Navajo H #13 Blanco Mesaverde 1830' FSL and 1830' FWL, Section 13, T29N, R14W

San Juan County, NM API 30-045-08280 __ / Long: W

All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing Note: wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

- 1. Install and test rig anchors. Prepare blow pit, Comply with all NMOCD, BLM and Lance safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.
- 2. PU on tubing and release packer. TOH and visually inspect tubing; LD packer and tubing. Tally and PU workstring.
- 3. Plug #1 (Mesaverde perforations and top, 2440' 2340'): TIH and set a 4.5" CR at 2440'. Pressure test tubing to 1000#. Load casing above the CR with water and circulate well clean. Pressure test casing to 800#. If casing does not test, spot or tag subsequent plugs as appropriate. Mix 11 sxs Type III cement and spot a balanced plug above CR to isolate the Mesaverde perforations and top. PUH to 942'.
- 4. Plug #2 (Pictured Cliffs top, 942' 842'); Spot 11 sxs Type III cement and spot a balanced plug inside casing to cover the Pictured Cliffs top. TOH with tubing.
- 5. Plug #3 (8.625" casing shoe and surface, 254' Surface): Perforate squeeze holes at 254'. Establish circulation out the bradenhead valve with water. Mix and pump approximately 80 sxs cement down the 4.5" casing to circulate good cement out bradenhead. Shut well in and WOC.
- 6. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Navajo H #13

Proposed P&A Blanco Mesaverde

1830' FSL & 1830' FWL, Section 13, T-29-N, R-14-W San Juan County, NM / API #30-045-08280

Lat: N _____ / Long: W _____

Today's Date: 10/11/06 Spud: 7/8/61 8.625°, 22.7# Casing set @ 204' 180 sxs cement circulated to surface Gallup Comp: 8/16/61 MV Comp: 3/29/82 12.25" Hole Elevation: 5270' GL Plug #3: 254' - 0' Perforate @ 254' Type III cement, 80 sxs 5958' KB Plug #2: 942' - 842' Pictured Cliffs @ 892' Type III cement, 11 sxs Hole in casing at 2320'; squeeze with total 375 sxs (1985)Plug #1: 2440' - 2340' Type III cement, 11 sxs Hole in casing at 2500'; perforate at 2320', squeeze with Set CR @ 2440' total 185 sxs (1981) Mesaverde Perforations: 2490' - 2520' Mesaverde @ 2560' Perforate @ 3320' (1981) Top of Cmt @ 4361' (Calc 75%), Spot 15 sxs 4665' - 4565' (1981) Gallup @ 4615' Spot 5 sxs 4967' - 4940' (1981) Squeeze Gallup Perfs with 10 sxs (1981) Gallup Perforations: 4990' - 4997' 7.875" Hole 4.5",9.5#, J-55 Casing @ 5138' Cemented with 200 sxs

> TD 5150' PBTD 3220'

Navajo H #13

Current Mesaverde SWD

1830' FSL & 1830' FWL, Section 13, T-29-N, R-14-W San Juan County, NM / API #30-045-08280

Lat: N _____ / Long: W _

Today's Date: 10/11/06 Spud: 7/8/61 8.625", 22.7# Casing set @ 204' 180 sxs cement circulated to surface Gallup Comp: 8/16/61 MV Comp: 3/29/82 12.25" Hole Elevation: 5270' GL 5958' KB Pictured Cliffs @ 892' Hole in casing at 2320'; squeeze with total 375 sxs (1985)Baker Model A tension packer at 2460' Hole in casing at 2500'; 2.375" tubing @ 2460', appx. perforate at 2320', squeeze with (78 joints plastic lined tubing) total 185 sxs (1981) Mesaverde Perforations: 2490' - 2520' Mesaverde @ 2560' Perforate @ 3320' (1981) Top of Cmt @ 4361' (Calc 75%), Spot 15 sxs 4665' - 4565' (1981) Gallup @ 4615' Spot 5 sxs 4967' - 4940' (1981) Squeeze Gallup Perfs with 10 sxs (1981) Gallup Perforations: 4990' - 4997' 7.875" Hole 4.5",9.5#, J-55 Casing @ 5138'

TD 5150' **PBTD 3220'**

Cemented with 200 sxs