

Form 3160-5
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
Lance Oil & Gas Company, Inc.3a. Address
P. O. Box 70, Kirtland, NM 874173b. Phone No. (include area code)
505-598-5601 x 55644. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1949'FNL & 1458'FWL, Section 25, T29N, R14W5. Lease Serial No.
14-20-603-21726. If Indian, Allottee or Tribe Name
Navajo

7. If Unit or CA/Agreement, Name and/or No.

FARMINGTON NM

8. Well Name and No.
NV Navajo 25#29. API Well No.
30-045-3183410. Field and Pool, or Exploratory Area
Basin Fruitland Coal & W. Kutz PC11. 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			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud and casing
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomplate 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 recomplate 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.)

The NV Navajo 25#2 was spud on 11/14/2006.

A 12-1/4" hole was drilled to 140' KB. Three joints of 8-5/8", 24# per foot, J-55 surface casing was landed at 138' KB. The cement job was as follows: 10 barrels of water was pumped ahead followed by 118 sacks of Type G cement with 2% CaCl₂ and 1/8# Pol-e-flake, mixed at 15.6 ppg and 1.18 yield. The plug was dropped, displacement was 6 barrels water, and 8 barrels of cement was circulated to the surface.

BOPE successfully passed pressure testing. The deviation survey at 140' KB was 1/4 degree.

A 7-7/8" hole was drilled to 1710' KB. Deviation surveys yielded 3/4 degree at 1080' KB and 3/4 degree at 1710' KB. The production casing (5-1/2", 15.5# per foot, J-55) was landed at 1704' KB. The cement job was as follows: 10 barrels of water was pumped ahead, followed by 20 barrels of mud flush, and 10 barrels of water. Lead cement consisted of 130 sacks BPR II with 1/8# Pol-e-flake mixed at 12 ppg and 2.22 yield. Tail cement was 95 sacks BPR II with 1/8# Pol-e-flake mixed at 13 ppg and 2.00 yield. The plug bumped at 1100 psi and displacement was 39.7 barrels of water. Three barrels of cement was circulated to the surface. The drill rig was released on 11/20/2006.

report date reached TD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Tod H. Haanes

Title Production Engineer

Signature

Tod H. Haanes

Date

11/22/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Date

Office

ACCEPTED FOR RECORD

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.

(Instructions on page 2)

DEC 08 2006

FARMINGTON FIELD OFFICE

NMOCD