

RCVD MAR7'07

OIL CONS. DIV.

submitted in lieu of Form 3160-5

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**
Sundry Notices and Reports on Wells

DIST. 3

2007 MAR -1 PM 2: 08

RECEIVED

BLM
210 FARMINGTON NM1. **Type of Well**
Oil

5. **Lease Number**
14-20-603-2172

6. **If Indian, All. or Tribe Name**
Navajo Nation

7. **Unit Agreement Name**

2. **Name of Operator**
Lance Oil & Gas Company, Inc.

NW Cha Cha Unit

3. **Address & Phone No. of Operator**

P.O. Box 70, Kirtland, NM 87417

8. **Well Name & Number**
NW Cha Cha Unit #40

Location of Well, Footage, Sec., T, R, M

71' FSL & 2000' FWL, Section 23, T-29-N, R-14-W,

9. **API Well No.**
30-045-29165

10. **Field and Pool**
Cha Cha Gallup

11. **County & State**
San Juan, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA**Type of Submission**☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment**Type of Action**☒ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☐ Other -☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut off☐ Conversion to Injection**13. Describe Proposed or Completed Operations**

Lance Oil & Gas Company, Inc., proposes to plug and abandon the above referenced well according to the attached P&A procedure.

14. I hereby certify that the foregoing is true and correct.

Signed Thomas M. Erwin 2/28/07 Title Production Superintendent Date 2/21/07
Thomas M. Erwin, P.E.

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen MasonCONDITION OF APPROVAL Original Signed: Stephen Mason

Title

Date

MAR 06 2007

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.

NMOCB 8

NW Cha Cha Unit #40

Current

Cha Cha Gallup

2000' FWL & 71' FSL, Section 23, T-29-N, R-14-W

San Juan County, NM / API #30-045-29165

Lat: N _____ / Long: W _____

Today's Date: 2/7/07

Spud: 8/31/94

Comp: 5/3/95

Elevation: 5536' GL

5546' KB

12.25" Hole

Top of Cmt @ Surface, circ 5 bbls
per Sundry Notice

8.625", 24# J-55 Casing set @ 245'
145 sxs cement circulated to surface

WELL HISTORY

No workover of record

Fruitland @ 735' *est

Pictured Cliffs @ 1081'

Mesaverde @ 2620'

Gallup @ 4784'

2.875" tubing @ 5100'

7.875" Hole

Gallup Perforations:
5127' - 5223'

5.5", 15.5#, J-55 Casing @ 5358'
Cemented with 605' sxs (1155 cf)

TD 5358'
PBD 5346'

NW Cha Cha Unit #40

Proposed P&A

Cha Cha Gallup

2000' FWL & 71' FSL, Section 23, T-29-N, R-14-W

San Juan County, NM / API #30-045-29165

Lat: N _____ / Long: W _____

Today's Date: 2/7/07

Spud: 8/31/94

Comp: 5/3/95

Elevation: 5536' GL

5546' KB

12.25" Hole

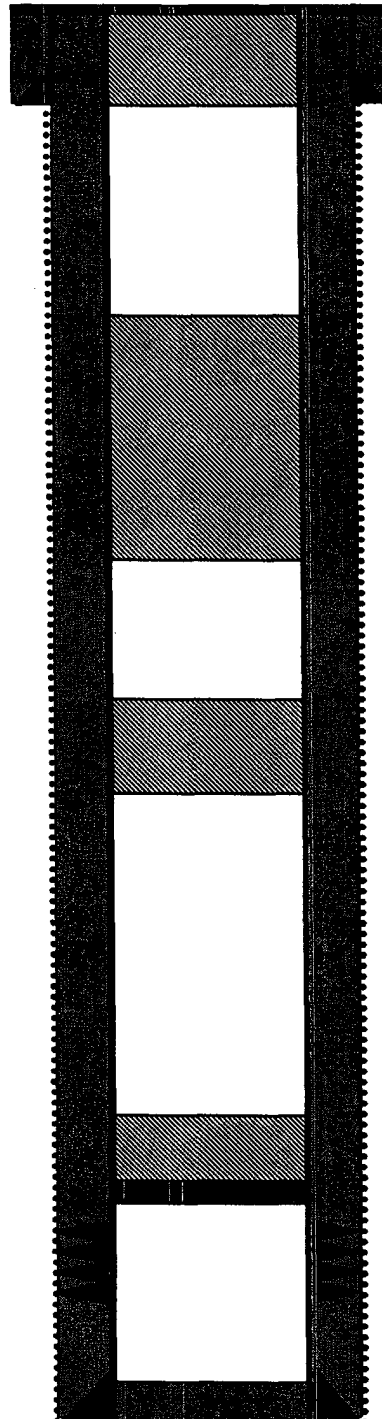
Fruitland @ 735' *est

Pictured Cliffs @ 1081'

Mesaverde @ 2620'

Gallup @ 4784'

7.875" Hole



Top of Cmt @ Surface, circ 5 bbls
per Sundry Notice

8.625", 24# J-55 Casing set @ 245'
145 sxs cement circulated to surface

Plug #4: 295' – 0'
Type III cement, 35 sxs

Plug #3: 1131' – 685'
Type III cement, 51 sxs

Plug #2: 2670' – 2570'
Type III cement, 16 sxs

Plug #1: 5077' – 4734'
Type III cement, 40 sxs

Set CR @ 5077'

Gallup Perforations:
5127' – 5223'

5.5", 15.5# J-55 Casing @ 5358'
Cemented with 605 sxs (1155 cf)

TD 5358'
PBD 5346'

NW Cha Cha Unit #40 – Gallup PLUG AND ABANDONMENT PROCEDURE

71' FSL & 2000' FWL
SW, Section 23, T29N, R14W
San Juan County, NM API #30-045-29165
Latitude: N _____ Longitude: W _____

2/7/07

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing 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.

Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Lance safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary. ND wellhead and NU BOP. Test BOP.

1. TOH and tally 2.875" tubing, total 5100'. Inspect tubing and if necessary LD and PU workstring. Round-trip 5.5" gauge ring to 5077'.
2. **Plug #1 (Gallup perforations and top, 5077' – 4734')**: TIH and set cement retainer at 5077'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 1000#. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 40 sxs cement and spot a balanced plug inside the casing to cover the Gallup interval. PUH to 2670'.
3. **Plug #2 (Mesaverde top, ²⁰⁶⁰2670' – ¹⁹⁶⁰2570')**: Mix 16 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top. PUH to 1131'.
4. **Plug #3 (Pictured Cliffs and Fruitland tops, ¹¹¹¹1431' – ^{667'}635')**: Mix 51 sxs cement and spot a balanced plug inside casing to cover the PC and Fruitland tops. PUH to 295'.
1. **Plug #4 (8.625" casing shoe and surface, 295' - Surface)**: Connect the pump line to the bradenhead valve. Pressure test the bradenhead annulus to 300#, note volume to fill. If it tests, then with tubing at 295', establish circulation out casing valve with water. Mix approximately 35 sxs cement and fill the 5.5" casing to surface, circulate good cement out the casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate 3 squeeze holes at the appropriate depth and fill the BH annulus with cement to surface, covering inside 50' below casing shoe top. TOH and LD tubing. Shut in well.
2. 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.