

# LANCE OIL & GAS COMPANY, INC.

PO Box 70



November 15<sup>th</sup>, 2005

Richard M. & Nina L. Hatch  
P.O. Box 57  
Fruitland, NM 87415-0057

**RE: Offer for Oil and Gas Lease**  
**Township 29 North, Range 14 West**  
**Section 18: E/2**  
**San Juan County, New Mexico**

Dear Richard M. & Nina L. Hatch:

Lance Oil & Gas Company, Inc. has been acquiring leases in the above area and plan to drill for gas in the near future. Our operations will include the drilling of wells, which will result in these lands being included in a spacing unit of 320.0 acres. Our title examination indicates that you own a mineral interest in these lands and we would like to submit our proposal for an oil and gas lease within the current standards for your area.

The oil and gas lease we offer provides for a five (5) year primary term, a paid-up oil and gas lease for, and bonus consideration based on \$50.00 per net acre, or \$50.00 for your 0.33 total net mineral acres. The lease also provides for a standard 1/8<sup>th</sup> royalty in the event of production.

If you find the terms of this lease form acceptable, please **execute the enclosed lease in the presence of a notary public and return it in the envelope provided. Please also complete the W-9 Request for Taxpayer Identification Number and Certification and return with the lease.** The COPY is for your records. In order to expedite our leasing operation and avoid additional bank charges, we have not enclosed a bank draft. Instead, we will mail your bonus check direct to you within ten (10) days of receipt of this fully executed lease.

If you should have any questions please feel free to contact the undersigned at (505) 598-5601.

Sincerely,

Anne Jones  
Sr. Landman

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 13648 Exhibit No. — 5  
Submitted By:  
Lance Oil & Gas, Inc  
Hearing Date: March 2, 2006  
RECORD THE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:  
Glen D. Johnson  
c/o Charlie Johnson  
P.O. Box 2664  
Kirtland, NM 87417

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8768

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No

Charlie Johnson  
P.O. Box 2664  
Kirtland, NM 87417

- 3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8768

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SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:  
Glen & Bonita Hoyle  
415 CR 6100  
Kirtland, NM 87417

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8720

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No

Bonita Hoyle  
P.O. Box 57  
Fruitland, NM 87415

- 3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8737

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-15

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:  
Charlie Johnson  
P.O. Box 2664  
Kirtland, NM 87417

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8775

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-1

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No

Charlie Johnson  
P.O. Box 2664  
Kirtland, NM 87417

- 3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8775

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-1

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:  
Richard M. & Nina L. Hatch  
P.O. Box 57  
Fruitland, NM 87415

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8737

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☐ No

Richard M. & Nina L. Hatch  
P.O. Box 57  
Fruitland, NM 87415

- 3. Service Type  
☒ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number  
(Transfer from service label)  
7005 1160 0003 4802 8737

PS Form 3811, February 2004 Domestic Return Receipt 18-29-14 E/2 102595-02-M-15

18-29-14 E/2 - FIRST OFFER

**COMPLETE THIS SECTION ON DELIVERY**

A-Signature **X** *Donald H. B.* ☐ Agent ☐ Addressee

**B. Received by ( Printed Name)**

11-16-05

**D. Is delivery address different from item 1? ☐ Yes ☐ No**  
**If YES, enter delivery address below:**

**If YES, enter delivery address below:**

Blmefield Land Trust

P.O. Box ~~75~~ 75

Fruitland, NM 87415

3. Service Type

<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7005 1160 0003 4802 8713

**Article Number**  
**(Transfer from service label)**

**S Form 3811, February 2004**

Domestic Return Receipt 18-29-14 E/s 102595-02-M-1540

UNITED STATES POSTAL SERVICE  
PB9752848  
04.880 JAN 26 03  
MAILED FROM ZIP CODE 87417

JUL 28 2006

☐ No Envelopes or Address  
Labels to Forward

☐ International Address

☐ Military or No Address

☒ Unknown / Not Known

☐ No Ship Street / No Name

☐ No Return Address

☐ No New Addresses

☐ No Phone / No Other

☐ Forwarding Paper Strips

~~Jack V. Manning  
404 CR 6100  
Kirtland, NM 87417~~

Oil & Gas Company  
Box 70  
'and' NM 87417


15 1160 0003 4802 6436

EDMUND J. GOODWIN

After searching a variety of resources, we were unable to locate an address for Edmund J. Goodwin. Robert L. Goodwin, his brother, executed a lease covering his mineral interest in Section 18. He indicated by letter that Edmund severed all family ties years ago. His affairs were handled by Attorney Robert Graham, but we were unable to locate Mr. Graham and believe he has moved away from the Farmington area.

P.O. Box 70  
Kirtland, NM 87417

7005 1160 0003 4602 8744

  
MOVED, LEFT NO ADDRESS  
FORWARDING ORDER EXPIRED  
UNCLAIMED, NOT KNOWN  
NO SUCH STREET  
INSUFFICIENT ADDRESS

Karen Hollingsworth  
6 CR 6317  
Kirtland, NM 87417

155  
0100 904.650 NOV 14 05  
4880 MAILED FROM ZIP CODE 87417

Name  
1st Notice 15 NOV 2005  
2nd Notice  
Return 11-30