

"A graceful, alert, swift moving little drilling company"

December 4, 2006

Mr. Oscar Peters Lance Oil & Gas Company 1099 – 18th Street, Suite 1200 Denver, CO 80202

Re:

Deviation Survey NAVAJO 21 #1

API 30-045-33380

Below is the directional survey for the NAVAJO 21 #1 well located in San Juan County, New Mexico:

0° @ 130' 1° @ 640' 1-1/4° @ 1020'

Please contact our office if you have any questions regarding this matter.

CHIHUAHUA DRILLING, LLC SAN JUAN OIL & GAS, INC., Member

ACKNOWLEDGMENT

State of Colorado

County of Arapahoe

The foregoing instrument was acknowledged before me by Patti L. Davis, as Vice-President of San Juan Oil & Gas, Inc., Member of Chihuahua Drilling, LCC this 3rd day of December, 2006.

> LARISA BARAYEVA **NOTARY PUBLIC** STATE OF COLORADO

My Commission Expires 06

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