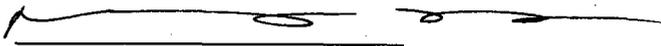




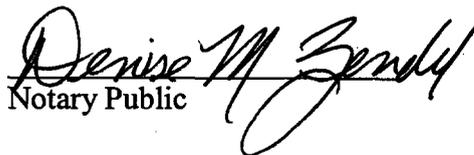
6. OCD records show no amendments or riders to bond No. OCD-199, and according to OCD records, that bond remains in effect.

THIS CONCLUDES MY AFFIDAVIT.



Dorothy Phillips

SUBSCRIBED AND SWORN before me this 7<sup>th</sup> day of February, 2005.

  
Notary Public

My Commission Expires:

1-9-08

**Wells Operated By ADVANCED EXPL INC , 36979**  
February 4, 2005

Property	Well Name	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name	Last Prod/Inj	Oil POD	Gas POD
13581	WAR DECK #001	S	B-33-21S-35E	B	30-025-30626	O	53790	SAN SIMON;YATES, NORTH (ASSOC)			

**Attachment A**

CMD : ONGARD 02/04/05 14:47:51  
OG6CWBD CAPTURE SINGLE WELL BOND OGODLP -TPH9

OGRID Identifier : 36979 API Well No : 30 25 30626  
Operator Name, Address : ADVANCED EXPL INC  
P O BOX 5509  
HOBBS,NM BADADDR

Bond Idn : 247813 Bond Status : A Prop Idn : 13581  
Prop Name : WAR DECK Well No : 001  
U/L Sec Township Range North/South East/West Lot Idr  
-----

Surface Locn : B 33 21S 35E FTG 660 F N FTG 1980 F E  
API County : 25

Bond Details : Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amt : 5000  
Company OGRID Identifier : 26434  
Company Name, Address : FIRST INTERSTATE BANK

633 WEST FIFTH ST  
LOS ANGELES,CA BAD ADDR

Effective Date : 01-01-1900 Cancellation Date : 12-31-9999

Issuer Bond No : OCD199

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 PF08 PF09 COMMENT PF10 NXTBOND PF11 PF12

Attachment B

SINGLE WELL CASH BOND

Know all men by these presents that Advanced Exploration, Inc.  
(an individual) (a partnership) (a corporation organized  
in the State of New Mexico with its principal office at P.O. Box 5509  
in the city of Hobbs, State of New Mexico  
and authorized to do business in the State of New Mexico) is held and firmly bound to  
the Oil Conservation Division of the State of New Mexico (or its successor agency) in  
the sum of \$5,000.00 (Five thousand dollars), lawful money of  
the United States.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

The above applicant/operator desires to drill a well or purchase or operate an  
existing well, the depth of which does not exceed 5000 feet, to  
prospect for and produce oil, gas, or carbon dioxide resources on land owned by  
private individuals or the State of New Mexico, the particular identification and  
footage location of said well being as follows: 660- FNL and 1980 FEL  
in Section 33, Township  
21-5, Range 35E, NMPM, Lea County, New Mexico.

The applicant has deposited on behalf of the Division \$5,000.00, in the manner  
indicated on the attachment to this bond being the principal sum intended to be  
secured. Applicant pledges this sum as a guarantee that it, its executors, assigns,  
heirs or administrators shall plug the well described above if dry, or when abandoned,  
in accordance with the rules and orders of the Oil Conservation Division of the State  
of New Mexico in such way as to confine the oil, gas, and water in the strata in which  
they are found, and to prevent same from escaping to other strata. If the applicant  
does not so properly plug and abandon said well upon order of the Division, the total  
sum of the bond shall be forfeited to the Division, and such amount as is necessary  
may be used to properly plug said well. If the principal sum of this bond is less  
than the actual cost incurred by the Division in plugging said well, the applicant,  
its successors, assigns, heirs or administrators shall be liable under the provisions  
of Section 70-2-38 NMSA (1978) of the Oil and Gas Act, and the Division may take  
action, including the filing of legal proceedings, to recover any amounts expended  
over and above the principal sum of the bond.

NOW THEREFORE, if the above applicant or its successors, assigns, heirs, or  
administrators or any of them shall plug the above-described well when dry or  
abandoned, in accordance with the rules, regulations, and orders of the Division, in  
such a manner as to confine the oil, gas, and water in the strata in which they  
naturally occur, and to prevent them from escaping into other strata, and further to  
clean up the surface location of said well, then therefore, this obligation shall be  
null and void and the principal sum shall be paid to the applicant, or its successors,  
heirs, or administrator, otherwise it shall remain in full force and effect.

FIRST INTERSTATE BANK OF LEA COUNTY

PRINCIPAL

P.O. Box 5509, Hobbs, New Mexico 88241

Address

By [Signature]

Signature

President

Title

BY: [Signature]

Susan Thompson  
Assistant Vice President & Cashier

By [Signature]

(Note: Principal, if corporation, affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico )  
 COUNTY OF Lea ) ss.

On this 12 day of June, 1989, before me personally appeared Joe Peterson, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

9/19/91  
 My Commission expires

Jay Batts  
 Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF New Mexico )  
 COUNTY OF Lea ) ss.

On this 12th day of June, 1989, before me personally appeared Joe D. Peterson, to me personally known who, being by me duly sworn, did say that he is President of Advanced Exploration, Inc. and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

9/19/91  
 My Commission expires

Jay Batts  
 Notary Public

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By [Signature]

Date \_\_\_\_\_

Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 5,000
5,000 feet to 10,000 feet	\$ 7,500
More than 10,000 feet	\$10,000

All Other Counties in the State:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 7,500
5,000 feet to 10,000 feet	\$10,000
More than 10,000 feet	\$12,500

