



United States Department of the Interior

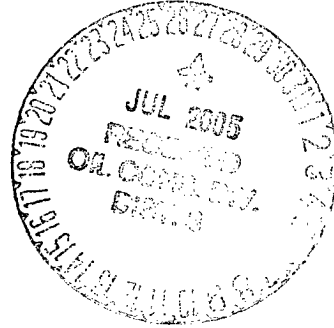
BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF 078110
3162.3-1 (211)

July 28, 2005

Lance Oil & Gas Company
Attn.: Paul Lehrman
PO Box 70
Kirtland, NM 87417



Dear Mr. Lehrman:

Reference is made to your Application for Permit to Drill (APD) the No. 3 Ropco 10 well, located **835' FNL and 1850' FWL, Section 10, T29N, R14W, San Juan County, New Mexico**. This APD was approved on June 24, 2004 with an expiration date of June 24, 2005. According to our records, no known activity has taken place at this location. In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Adrienne Brumley at (505) 599-6358

Sincerely,

/s/ Adrienne Brumley

Adrienne Brumley
Petroleum Engineer,
Petroleum Management Team

cc: NMOCD