

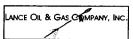
LANCE OIL & GAS CHAMPANY, INC. Authorization for Expenditure Lance Oil and Gas Company, Inc.

1099 18th Street, Ste. 1200 Denver, CO 80202-1955 (303) 452-5603

Business Unit/District:	San Juan						Psuedo API#	29141841aPCc30
Well Name & Number:	Ropco 18 #1						AFE No.	607241
Location:	SEC.	18	Township	29 N	_ Range:14 W		Property #:	0
Footage	1,500	FNL	663	FEL	QuarterQuarte	r NENE	API #:	30-045-32968
County:	San Juan	State:	New Mexic	o			Date :	01/09/06
Field/Unit/Area:	Basin Fruitla	ind Coal				_	Budget Year:	2006
Proposed Total Depth:	700'			Target Re	eservoir:_Fruitla	nd Coal	Project Type:	DRILL
Anticipated Spud Date:	03/01/06		Est.	Completi	on Date: 03/15/0	6	Cost Center:	14100.00
Project	Description:	Drill and co	mplete a F	ruitland C	oal well in the S.	IBU.		
Special Lease Co	nsiderations:							

SUMMARY OF ESTIMATED COSTS		Dry Hole	Complete	
INTANGIBLE COSTS	Acct.#	Acct.# 2660	Acct.# 2665	TOTAL
	1			
Permitting and Site Work	<u>and the Adams and the </u>	tige decision content to the straightful to the str	cinipatro-detallibidistillibili	
Land Surface Use	0043	\$0	\$0	\$
Surveying & Staking	0001	\$1,500	\$0	\$1,50
Permits	0036	\$1,500	\$0	\$1,50
Surface Damages & Restoration	0003	\$9,500	\$0	\$9,50
Title	0042	\$5,000	\$0	\$5,00
Site Prep, Roads, Pits	0002	\$7,200 	\$0 	\$7,20
		ENCLOSIS TECTIONS IN THE PROPERTY OF THE	etes, acrouph mand ; eactive laters	De authoritation de l'action de la la constant de l
Drilling Contract	0004	\$13,380	\$17,500	\$30,88
Rig Trans, Erection, Removal	0007	\$2,500	\$500	\$3,00
Fuel, Power, Water	0010	\$3,500	\$0	\$3,50
Water Purchase	0048	\$0	\$0	\$
Bits, Reamers, Tools	0008	\$0	\$5,200	\$5,20
Mud & Chemicals	0011	\$4,000	\$1,500	\$5,50
Drilling Supplies	0009	\$0	\$0	\$
Equipment and Services	Notes with the second		CLOCATE HAVE DESIGNATION OF SHARE AND ADDRESS.	は出る時となるとのとなる 日本人は あるとのとのというとうしょう
Cementing	0012	\$3,100	\$8,200	\$11,30
Plugging Expense	0025	\$0	\$0	\$
Casing Crews	0021	\$0	\$2,500	\$2,50
Rental Equipment	0023	\$1,400	\$2,000	\$3,40
Trucking & Hauling	0024	\$3,000	\$2,500	\$5,50
Welding	0039	\$700	\$0	\$70
Other Contract Labor	0026	\$3,000	\$800	\$3,80
Environmental & Safety	0040	\$0	\$0	\$
Fishing Tools & Service	0041	\$0	\$0	\$
Other Services, Stimulation, Treatments	0014	\$0	\$120,000	\$120,00
Evaluation	<u> Preparation (Pagis)</u>		Contraction of the second	
Electric Surveys, Logs, Surveys, Perforating	0015	\$5,500	\$4,500	\$10,00
Drill Stem Test, Mud Logging, Core work	0013	\$0	\$0	\$
를 통통 중기 위한 <u>구입되었다. 그런 그러나 당시 하면 하면 그런 그런 그런 그런 그런 그는 그를 모르는 그는 그를 모르는 그는 그를 모르는 그는 그를 모르는 그를 모르는 그를 모르는 그를 모르는 그</u>			COMPARISON CONTRACTOR CONTRACTORS	Tallie des services de la cardinamentales.
Geological & Engineering	0027	\$3,300	\$0	\$3,30
Labor, Company	0029	\$0	\$0	\$
Overhead, Allocated Costs, and Contingency				
Overhead	0032	\$4,500	\$0	\$4,50
Road Infrastructure Allocated	0050	<i>Yanan mahalahan kalahan</i>	\$0	\$
Electrical Infrastructure Allocated	0049		\$0	\$
Water Management Infra Allocated	0046	HUUUMUUUM	\$0	\$
Miscellaneous and Contingency	0038	\$3,629	\$8,260	\$11.88

OIL CONSERVATION DIVISION OIL CONSERVATION No. _ 7 Lance Oil & Gas, Inc Lance Oil & March 2, 2006 Hearing Date: March 2 Submitted By:



LANCE OIL & GAS CRAMPANY, INC. Authorization for Expenditure Lance Oil and Gas Company, Inc.

1099 18th Street, Ste. 1200 Denver, CO 80202-1955 (303) 452-5603

Business Unit/District: San Juan		·		Psuedo API#	29141841aPCc30
Well Name & Number: Ropco 18 #1	<u> </u>			AFE No.	607241
Location: SEC.	18 Township 29 N	Range: 14 W		Property #:	0
SUMMARY OF ESTIMA	TED COSTS		Dry Hole	Complete	TOTAL
TANGIBLE COSTS		Sub Acc.#	Acct. 2670	Acct. 2675	Total:
Conductor & Surface Casir		0002	\$1,985		
Wellhead & Subsurface Eq Intermediate Casing	lnib	0007 0003	\$300	\$1,300 ///////////////////////////////////	\$ 1,600
Production Casing/ Liners		0003	\$U	\$5,460	\$ - \$ 5,460
Tubing		0006	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$1,533	
Pumping Unit & Equipmen	t	0008		\$14,000	\$ 14,000
Engines and Power Equip		0028		\$8,000	\$ 8,000
Electrical		0026	***************************************	\$0	\$ -
Sucker Rods and Downhol Install Costs Surface Equip		0009 0020		\$2,560 \$2,000	\$ 2,560 \$ 2,000
Tanks '		0023	* 31311711111111111111111111111111111111	\$2,000	\$ 2,000
Valves & Fittings	77 TW	0014		\$2,000	\$ 2,000
Pipe		0001	300000000000000000000000000000000000000	\$0	\$ -
Trunkline Costs		0024			\$ -
Flow Lines & Connections		0015		\$45,000	\$ 45,000
Meter Building and Meter		0025		\$3,000	\$ 3,000
Automation Equipment Miscellaneous Equipment	 	0029 0038	\$1,11111111111111111111111111111111111	\$2,000 \$0	\$ 2,000 \$ -
Software and Communicat	ions Fauin	0030		\$0	\$ -
Separators, Heater, Treater		0012		\$4,000	\$ 4,000
Emission Control Combus		0021	£1101111111111111111111111111111111111	\$0	\$ -
Buildings		0016	MANAGARANA	\$0	\$ -
Fences & Cattle Guards		0017		\$0	\$ -
Water Management		0031	\$1000000000000000000000000000000000000	\$0	\$ <u> </u>
	TANGIBLE		\$ 2,285	\$ 90,853	\$ 93,138
	TANGIBLE AND TANGIBLI	E COSTS	\$ 78,494	\$ 264,313	\$ 342,807
	Markan alaman alaman makan makan makan pengan kan alaman kan alaman kan alaman kan alaman kan alaman kan alama Markan kan alaman kan		1		
Working Interest Owners:		WI %	Drilling	Completion	TOTAL
Lance Oil and Gas Compar	пу	#######	\$ 78,494	\$ 264,313	
0.00		0.0000%	\$ - \$ -	\$ - \$ -	\$ ·
		0.0000%	\$ -	\$ -	\$ -
	· •••	0.0000%	\$ -	\$ -	\$.
	TOTAL	100.0000%	\$ 78,494	\$ 264,313	\$ 342,807
	ance Oil and Gas Com	pany APPROVALS			
	NAME	Title	Signature		Date
AFE Originator:	Justin Sandifer	SJBU Engineer			
AFE Project Manager		SJBU Field Superintenden	t		
AFE Project Manager		SJBU Manager			
Land Approved by:		Land Manager			
Recommented By:		Senior Geoscientist			
Recommended By:	Jeffery E. Jones	Wise Provident Provident			
Approved By:	Jenery E. Jones	Vice President, Production	<u> </u>		
					Telesenen ettämessan ettäm
PARTNER APPROVAL	COSTS ARE UNDERSTOOD TO BE				l Amirata e a
	Approv	ed Disappro	veu		Article 6.g.
Company Name:					
Name:		Title:		Date:	



LUNCE OIL & GAS, CRAMPANY, INC. Authorization for Expenditure Lance Oil and Gas Company, Inc.

1099 18th Street, Ste. 1200 Denver, CO 80202-1955 (303) 452-5603

Business Unit/District: Well Name & Number: Location:		18 Township	29 N	_ Range: _	14 W	Psuedo API # AFE No. Property #:	29141841aPCc30 607241 0
	San Ju	ıan Basin We	lls Pe	ermitti	ing		
Permit		Date Applied	Identifier		Comments:		
	State App:	03/14/05		A	Approved APD 3/24/05		
	Fed App:	03/14/05		A	Approved APD 3/24/05		
	NPDES:			N	IA		
***************************************	SEO:			N	IA .		
Le	ase Saving:			N	IA .		
US Corps	of Eng.			N	IA		
	Other:						
	Other:				· · · · · · · · · · · · · · · · · · ·		
DRILLING TI		N Copy to be provided			Previously Provided		Enclosed

Full Ownership Detail

Working Interest Owners:		WI
ance Oil and Gas Company		1.0000
	0.0000	0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
		0.0000
<u> </u>		1.0000

Slenn & Bonita Hoyle S Form 3811, February 2004 Form 3811, February 2004 Article Number ENDER: COMPLETE THIS SECTION Transfer from service label Article Addressed to: or on the front if space permits. Attach this card to the back of the malipiece SÉNDER: COMPLETE THIS SECTION so that we can return the card to you. Kirtland, NM 87417 Print your name and address on the reverse Complete items 1, 2, and 3. Also complete tem 4 if Restricted Delivery is desired. (Transfer from service label) Article Number Article Addressed to: Print your name and address on the reverse Complete items 1, 2, and 3. Also complete Cirtland, NMI 87417 or on the front if space permits. Attach this card to the back of the mailpiece so that we can return the card to you. Item 4 if Restricted Delivery is desired. P.O. Box 2664 Charlee Johnson 8-29-14 =1 CR 6100 Domestic Return Receipt /8-29-/4/2ND02595-02-M-1540 Domestic Return Receipt **1905 July 6000 011 2007** 2005 1160 0003 4802 6382 B. Received by (Printed Name) COMPLETE THIS SECTION ON DELIVERY Certified Mail Registered D. is delivery adj COMPLETE THIS SECTION ON DELIVERY Restricted Delivery? (Extra Fee) Service Type Insured Mail If YES, enter delivery address below: sheren ☐ Registered ☐ Insured Mail Service Type Restricted Delivery? (Extra Fee) If YES, enter Se Certified Mail 18-29-14 ECOND OFFER W/ A.F.E □ C.O.D. ☐ Express Mail Return Receipt for Merchandise C.O.D. Return Receipt for Merchandise ☐ Express Mai n item 17 🗆 Yes 2ND02595-02-M-154 PS Form 3811, February 2004 C. Date of Delivery C. Date of Delivery □ ¥88 ☐ Agent☐ Addressee □ % PS Form 3811, February 2004 SENDER: COMPLETE THIS SECTION SENDER: COMPLETE THIS SECTION Article Number Print your name and address on the reverse Article Addressed to: Attach this card to the back of the mallplece ■ Complete items 1, 2, and 3. Also complete Print your name and address on the reverse Article Number Complete Items 1, 2, and 3. Also complete Fruitland, MM 87415 Transfer from service label Attach this card to the back of the mailpiece so that we can return the card to you. BLMefield Land Tru so that we can return the card to you. Richard & Nina Hatch or on the front if space permits. item 4 if Restricted Delivery is desired. (Transfer from service label) 1.0 Box 57 or on the front if space permits. Item 4 if Restricted Delivery is desired. Fruitland, NM 87415 MO. Box 57 Domestic Return Receipt (8-29-/4/2)/D 102595-02-M-1540 Domestic Return Receipt 18-29-14 12 ND 102595-02-M-1540 Hearing Date: March 2, 2006 hance Oil & Gas, Case No. 13648 Exhibit No. ETE9 2084 E000 0911 5002 Submitted By: 52E9 2084 E000 09TT 5002 OIL CONSERVATION DIVISION Service Type COMPLETE THIS SECTION ON DELIVERY A. Signature D. Is delivery address different from Item 1? B. Received by (Printed Name Service Type D. Is delivery address different from item 1? A. Signature B. Received by (Printed Name COMPLETE THIS SECTION ON DELIVERY ☐ Registered ☐ Insured Mail Restricted Delivery? (Extra Fee) Insured Mail ☐ Registered Restricted Delivery? (Extra Fee) Certified Mail If YES, enter delivery address below: Certified Mail If YES, enter delivery address below: □ c.o.p. ☐ Express Mail Return Receipt for Merchandise Return Receipt for Merchandise C.O.D. ☐ Express Mail C. Date of Delivery C. Date of Delivery Addresser □ % □ ‱ _ Ծ □ V ☐ Addressad ☐ Yes S S ☐ Agent