

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS

400 W. King Street, Suite 106
 Carson City, Nevada 89703

Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

JAN 12 2007

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: Grant Canyon Oil & Gas, LLC

Address: 1801 Broadway, Suite 350, Denver, CO 80202

Lease: Grant Canyon Pool: Devonian County: Nye Month: December, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. | |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | | |
| 9 | N53719 | 21 | 7N | 57E | 8741.7 | 8528.0 | 25.5 | 20,224 | --- | --- | --- | 31 | Flowing | |
| 22-21 | N53719 | 21 | 7N | 57E | 777.0 | 920.4 | 26.0 | 23,305 | --- | --- | --- | 31 | Flowing | |
| TOTALS | | | | | 9518.7 | 9448.4 | | 43,529 | | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT

PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To <u>Truck</u> or R.R. | Name of Transporter | | |
| 2 | 1,065.1 | 9518.7 | | 9448.4 | Foreland | 875.9 | 16,000 |

GAS

MCF used on lease _____ Used for Gas Lift
 MCF sold _____ MCF used on lease.
 MCF blown to air (difference) _____ MCF used on _____ lease.
 Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month 9,448.4
 Fee at \$0.10 per barrel sold \$ 944.84
 MCF gas sold during month ---
 Fee at \$0.10 per 50,000 MCF \$ ---
 Total monies remitted herewith to Division of Minerals \$ 944.84

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rod J. Prosceno
 Position Operations Manager
 Telephone 307-527-9100
 Date 1-2-2007

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

DEC 11 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: Grant Canyon Oil & Gas, LLC

Address: 1801 Broadway, Suite 350, Denver, CO 80202

Lease: Grant Canyon

Pool: Devonian

County: Nye

Month: November, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | N53719 | 21 | 7N | 57E | 4586.8 | 4575.0 | 25 | 21,562 | --- | --- | --- | 30 | Flowing |
| 22-21 | N53719 | 21 | 7N | 57E | 733.7 | 619.2 | 25 | 20,566 | --- | --- | --- | 30 | Flowing |
| TOTALS | | | | | 5320.5 | 5194.2 | | 42,128 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To <u>truck</u> or R.R. | Name of Transporter | | |
| 2 | 1,042 | 5320.5 | | 5194.2 | Foreland | 1065.1 | 16,000 |

GAS


MCF used on lease _____ Used for Gas Lift
MCF sold _____ MCF used on lease.
MCF blown to air (difference) _____ MCF used on _____ lease.
Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month 5,194.19
Fee at \$0.10 per barrel sold \$ 519.42
MCF gas sold during month ---
Fee at \$0.10 per 50,000 MCF \$ ---
Total monies remitted herewith to Division of Minerals \$ 519.42

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rod J. Prosceno 
Position Operations Manager
Telephone 307-527-9100
Date 12-4-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC Address: 1801 BROADWAY, SUITE 350, DENVER CO 80202

Lease: GRANT CANYON Pool: DEVONIAN County: NYE Month: OCTOBER, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4718.8 | 4597.6 | 26.5 | 22,211 | — | — | — | 31 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 787.5 | 657.5 | 26.3 | 23,258 | — | — | — | 31 | FLOWING |
| TOTALS | | | | | 5506.3 | 5255.1 | 45.9 | | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To truck or R.R. | Name of Transporter | | |
| 2 | 894 | 5,506.3 | | 5,255.1 | FORELAND | 1,042 | 16,000 |

GAS

MCF used on lease _____ Used for Gas Lift _____
MCF sold _____ MCF used on lease. _____
MCF blown to air (difference) _____ MCF used on _____ lease. _____
Gas Purchaser _____ MCF used on _____ lease. _____

SUMMARY

Barrel oil sold during month 5,255.1
Fee at \$0.10 per barrel sold \$ 525.51
MCF gas sold during month _____
Fee at \$0.10 per 50,000 MCF \$ _____
Total monies remitted herewith to Division of Minerals \$ 525.51

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rob J. Prisceno
Position OPERATIONS MANAGER
Telephone 307-527-9100
Date 11-6-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

OCT 18 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC Address: 1801 BROADWAY, SUITE 350, DENVER, CO 80202

Lease: GRANT CANYON Pool: DEVONIAN County: NYE Month: SEPTEMBER, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4597.8 | 4474.17 | 25.9 | 21,119 | — | — | — | 30 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 762.3 | 852.23 | 26.2 | 22,684 | — | — | — | 30 | FLOWING |
| TOTALS | | | | | 5,360.1 | 5,326.4 | | 43,803 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-----------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To truck or R.R. | Name of Transporter | | |
| 2 | 975 | 5,360.1 | | 5,326.4 | FORELAND | 894 | 16,000 |

GAS

| | |
|-------------------------------------|--------------------------------|
| MCF used on lease _____ | Used for Gas Lift _____ |
| MCF sold _____ | _____ MCF used on lease. |
| MCF blown to air (difference) _____ | _____ MCF used on _____ lease. |
| Gas Purchaser _____ | _____ MCF used on _____ lease. |

SUMMARY

| | |
|--|-----------|
| Barrel oil sold during month | 5,326.4 |
| Fee at \$0.10 per barrel sold | \$ 532.64 |
| MCF gas sold during month | — |
| Fee at \$0.10 per 50,000 MCF | \$ — |
| Total monies remitted herewith to Division of Minerals | \$ 532.64 |

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name *ROD J. PROSCENO*
 Position *OPERATIONS MANAGER*
 Telephone *307-527-9100*
 Date *10-5-2006*

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

RECEIVED

OCT 02 2006

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS

400 W. King Street, Suite 106

Carson City, Nevada 89703

Phone: (775) 684-7040 • Fax (775) 684-7052

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC

Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202

Lease: GRANT CANYON Pool: DEVONIAN

County: NYE

Month: AUGUST, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|---------------------------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4770.5 | 4820.8 4698.03 RR | 25.8 | 21,554 | — | — | — | 31 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 814.5 | 830.0 819.04 RR | 26.0 | 23,643 | — | — | — | 31 | FLOWING |
| TOTALS | | | | | 5,585.0 | 5650.8 5517.07 RR | | 45,197 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|---------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To truck or R.R. | Name of Transporter | | |
| 2 | 1,040.8 | 5,585.0 | | 5,650.8 5,517.07 RP | FORELAND | 975.0 | 16,000 |

GAS

MCF used on lease _____ Used for Gas Lift _____
MCF sold _____ MCF used on lease. _____
MCF blown to air (difference) _____ MCF used on _____ lease.
Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month RP 5,650.8 \$ 5,517.07
Fee at \$0.10 per barrel sold \$ RP 565.08 \$ 551.71
MCF gas sold during month _____
Fee at \$0.10 per 50,000 MCF \$ _____
Total monies remitted herewith to Division of Minerals \$ RP 565.08 \$ 551.71

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name RP ROD J. PROSCENO
Position OPERATIONS MANAGER RP
Telephone 307-527-9100
Date 9-7-2006 9-26-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.



RECEIVED

OCT 02 2006

Division of Minerals

September 26, 2006

Ms. Linda Wells
State of Nevada
Commission of Mineral Resources
Division of Minerals
400 W.King Street, Suite 106
Carson City, NV 89703
775-684-7042

Subject:

- Oil and Gas Producer's Monthly Report (Form 7) – revised Aug.2006

Dear Ms. Wells,

Enclosed is the monthly producer report Form 7 for August, 2006. The net sold volume was inaccurately reported without adjustments (5,650.8 barrels sold). The corrected figures are shown on the amended Form 7 attached (5,517.07 barrels sold). I apologize for the inconvenience.

Please call if you should have any questions.

Sincerely,

Rod J. Prosceno

Operations Manager
Grant Canyon Oil & Gas, LLC

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

SEP 18 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC

Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202

Lease: GRANT CANYON Pool: DEVONIAN

County: NYE

Month: AUGUST, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4770.5 | 4820.8 | 25.8 | 21,554 | — | — | — | 31 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 814.5 | 830.0 | 26.0 | 23,643 | — | — | — | 31 | FLOWING |
| TOTALS | | | | | 5,585.0 | 5,650.8 | | 45,197 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

AUG 14 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC

Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202

Lease: GRANT CANYON Pool: DEVONIAN

County: NYE

Month: JULY, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4793.7 | 4578.7 | 25.7 | 21,357 | — | — | — | 31 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 824.3 | 696.2 | 25.7 | 23,924 | — | — | — | 31 | FLOWING |
| TOTALS | | | | | 5,618 | 5,274.9 | | 45,281 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To <u>truck</u> or R.R. | Name of Transporter | | |
| 2 | 816.8 | 5,618 | | 5,274.9 | Fireland | 1,040.8 | 16,000 |

GAS

| | |
|-------------------------------------|--------------------------------|
| MCF used on lease _____ | Used for Gas Lift |
| MCF sold _____ | _____ MCF used on lease. |
| MCF blown to air (difference) _____ | _____ MCF used on _____ lease. |
| Gas Purchaser _____ | _____ MCF used on _____ lease. |

SUMMARY

| | |
|--|------------------|
| Barrel oil sold during month | <u>5,274.9</u> |
| Fee at \$0.10 per barrel sold | \$ <u>527.49</u> |
| MCF gas sold during month | <u> </u> |
| Fee at \$0.10 per 50,000 MCF | \$ <u> </u> |
| Total monies remitted herewith to Division of Minerals | \$ <u>527.49</u> |

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rod J. Proscend
 Position OPERATIONS MANAGER
 Telephone 307-527-9100
 Date 8-3-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

JUL 13 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC

Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202

Lease: GRANT CANYON

Pool: DEVONIAN

County: NYE

Month: JUNE, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4,672.3 | 4,678.5 | 25.9 | 20,102 | — | — | — | 30 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 805.4 | 959.52 | 26.0 | 22,789 | — | — | — | 30 | FLOWING |
| TOTALS | | | | | 5,477.7 | 5,638.02 | | 42,891 | | | | | |

† Method of determining water production:

Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To truck or R.R. | Name of Transporter | | |
| 2 | 1,110.2 | 5,477.7 | | 5,638.02 | FORELAND | 816.80 | 16,000 |

GAS

MCF used on lease _____ Used for Gas Lift
MCF sold _____ MCF used on lease.
MCF blown to air (difference) _____ MCF used on _____ lease.
Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month 5,638.02
Fee at \$0.10 per barrel sold \$ _____
MCF gas sold during month —
Fee at \$0.10 per 50,000 MCF \$ _____
Total monies remitted herewith to Division of Minerals \$ 563.80

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Al J. Rod J. PROSCENO
Position OPERATIONS MANAGER
Telephone 307-527-9100
Date 7-3-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED
 JUN 12 2006
 Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202
 Lease: GRANT CANYON Pool: DEVONIAN County: NYE Month: MAY YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|--------------------------------|------|------|------|-----------------------|-----------------|---------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. <i>Lease No.</i> | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | N53719 | 21 | 7N | 57E | 4,851.3 | 4,522.27 | 25.9 | 21,525 | - | - | - | 31 | Flowing |
| 22-21 | N53719 | 21 | 7N | 57E | 924.6 | 643.69 | 26.0 | 24,517 | - | - | - | 31 | Flowing |
| TOTALS | | | | | 5,675.9 | 5,165.96 | | 46,042 | | | | | |

Tank gauges

MONTHLY OIL REPORTS
 10/15/06
 10/16/06
 10/17/06
 10/18/06
 10/19/06
 10/20/06
 10/21/06
 10/22/06
 10/23/06
 10/24/06
 10/25/06
 10/26/06
 10/27/06
 10/28/06
 10/29/06
 10/30/06
 10/31/06

† Method of determining water production:
 Shake out _____ Estimate _____ Draw off _____

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-----------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls To truck or R.R. | Name of Transporter | | |
| 2 | 715.0 | 5,675.9 | | 5,165.96 | Foreland | 1,110.20 | 16,000 |

GAS

| | |
|-------------------------------------|--------------------------------|
| MCF used on lease _____ | Used for Gas Lift _____ |
| MCF sold _____ | _____ MCF used on lease. |
| MCF blown to air (difference) _____ | _____ MCF used on _____ lease. |
| Gas Purchaser _____ | _____ MCF used on _____ lease. |

SUMMARY

| | |
|--|------------------|
| Barrel oil sold during month | <u>5,165.96</u> |
| Fee at \$0.10 per barrel sold | \$ <u>516.60</u> |
| MCF gas sold during month | <u> </u> |
| Fee at \$0.10 per 50,000 MCF | \$ <u> </u> |
| Total monies remitted herewith to Division of Minerals | \$ <u>516.60</u> |

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete

Name Rod J. Prosceno
 Position OPERATIONS MANAGER
 Telephone 307-527-9100
 Date 6-6-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

MAY 23 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC Address: 1801 BRADWAY, SUITE 350 DENVER, CO 80202
 Lease: GRANT CANYON Pool: DEVONIAN County: NYE Month: APRIL YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|---------------------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. (Lease No.) | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4700.1 | 4612.08 | 25.8 | 19,584 | — | — | — | 30 | FLOWING |
| 22-21 | NS3719 | 21 | 7N | 57E | 833.9 | 905.91 | 26.0 | 21,463 | — | — | — | 30 | FLOWING |
| TOTALS | | | | | 5,534.0 | 5,517.99 | | 41,047 | | | | | |

† Method of determining water production:

Shake out Estimate Draw off

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-----------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To Truck or R.R. | Name of Transporter | | |
| 2 | 793.5 | 5,534.0 | — | 5,517.99 | Foreland | 715.0 | 16,000 |

GAS

| | |
|-------------------------------------|--------------------------------|
| MCF used on lease _____ | Used for Gas Lift |
| MCF sold _____ | _____ MCF used on lease. |
| MCF blown to air (difference) _____ | _____ MCF used on _____ lease. |
| Gas Purchaser _____ | _____ MCF used on _____ lease. |

SUMMARY

| | |
|--|-----------|
| Barrel oil sold during month | 5,517.99 |
| Fee at \$0.10 per barrel sold | \$ 551.80 |
| MCF gas sold during month | — |
| Fee at \$0.10 per 50,000 MCF | \$ — |
| Total monies remitted herewith to Division of Minerals | \$ 551.80 |

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rob J. Proscendo
 Position OPERATIONS MANAGER
 Telephone 307-527-9100
 Date 5-19-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

MAY 23 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC

Address: 1801 BROADWAY, SUITE 350 DENVER, CO 80202

Lease: GRANT CANYON

Pool: DEVONIAN

County: NYE

Month: MARCH, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|---------------------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. (Lease No.) | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | N53719 | 21 | 7N | 57E | 4883.7 | 4930.12 | 25.9 | 19,036 | — | — | — | 31 | FLOWING |
| 22-21 | N53719 | 21 | 7N | 57E | 824.1 | 689.22 | 26.0 | 22,087 | — | — | — | 31 | FLOWING |
| TOTALS | | | | | 5,707.8 | 5,619.34 | | 41,123 | | | | | |

† Method of determining water production:

Shake out Estimate Draw off

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To truck or R.R. | Name of Transporter | | |
| 2 | 814.1 | 5,707.8 | — | 5,619.34 | Foreland | 793.5 | 16,000 |

GAS

MCF used on lease _____
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month 5,619.34
Fee at \$0.10 per barrel sold \$ 561.93
MCF gas sold during month —
Fee at \$0.10 per 50,000 MCF \$ —
Total monies remitted herewith to Division of Minerals \$ 561.93

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rob J. Proscendo
Position OPERATIONS MANAGER
Telephone 307-527-9106
Date 5-19-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.

STATE OF NEVADA
 COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Phone: (775) 684-7040 • Fax (775) 684-7052

RECEIVED

MAY 23 2006

Division of Minerals

OIL AND GAS PRODUCER'S MONTHLY REPORT

This report to be filed before the last day of the month following the month for which production occurred. Ex: January due end of February.

Company: GRANT CANYON OIL & GAS, LLC Address: 1801 BROADWAY, SUITE 350, DENVER CO 80202

Lease: GRANT CANYON Pool: DEVONIAN County: NYE Month: FEB, YR 2006

| LOCATION | | | | | OIL AND WATER (BBLs.) | | | | GAS | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|---------------------------|------|------|------|-----------------------|--------------|---------|--------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. (Lease No.) | Sec. | Twp. | Rge. | New Oil Prod. | Net Oil Sold | Gravity | Water Prod.† | Tot. Gas Prod. MCF | Gas-oil ratio | Date of Test | | |
| 9 | NS3719 | 21 | 7N | 57E | 4431.3 | 4141.87 | 25.8 | 17,506 | — | — | — | 28 | Flowing |
| 22-21 | NS3719 | 21 | 7N | 57E | 749 | 758.82 | 25.9 | 20,835 | — | — | — | 28 | Flowing |
| TOTALS | | | | | 5,180.3 | 4,900.69 | 38,341 | | | | | | |

† Method of determining water production:

Shake out Estimate Draw off

OIL AND GAS PRODUCER'S MONTHLY REPORT
PAGE 2

(Following report is on lease basis)

| No. Wells | Total amount of oil on lease at beginning of month | Actual oil produced | DISPOSITION OF OIL | | | Total amount oil on lease | Total capacity lease tanks |
|-----------|--|---------------------|--------------------|-------------------------------|---------------------|---------------------------|----------------------------|
| | | | Bbls. to pipeline | Bbls. To <u>Truck</u> or R.R. | Name of Transporter | | |
| 2 | 628.7 | 5,180.3 | — | 5,180.3 | Foreland | 814.1 | 16,000 |

GAS

MCF used on lease _____ Used for Gas Lift
MCF sold _____ MCF used on lease.
MCF blown to air (difference) _____ MCF used on _____ lease.
Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrel oil sold during month 4,900.07
Fee at \$0.10 per barrel sold \$ 490.01
MCF gas sold during month _____
Fee at \$0.10 per 50,000 MCF \$ _____
Total monies remitted herewith to Division of Minerals \$ 490.01

REMARKS:

I hereby certify that the information given herewith is true, correct, and complete.

Name Rob J. Prosceno
Position OPERATIONS MANAGER
Telephone 307-527-9100
Date 5-19-2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to the Division of Minerals with remittance. Last copy for your file.



May 19, 2006

RECEIVED

Ms. Linda Wells
State of Nevada
Commission of Mineral Resources
Division of Minerals
400 W.King Street, Suite 106
Carson City, NV 89703
775-684-7042

MAY 23 2006
Division of Minerals

Subject:

- Oil and Gas Producer's Monthly Report (Form 7)
- Oil and Gas Report of Subsurface Injections (Form 7A)

Dear Ms. Wells,

Grant Canyon Oil & Gas, LLC has recently purchased the Grant Canyon facility and leases from Makoil Inc. Enclosed are the monthly producer and injection reports for February, March, and April. I apologize for the delay in the first two months (Feb. and March) as the transition was in progress.

Please call if you should have any questions.

Sincerely,

Rod J. Prosceno

Operations Manager
Grant Canyon Oil & Gas, LLC

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

JUN 22 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: _____ Pool: Grant Canyon County: Nye Month of: May 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 7 | 625 | 21 | 4N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| TOTALS | | | | | 0.00 | 0.00 | | 0 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining waier production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 0 | 0 | | 0 | | 0 | |

GAS

MCF used on lease 0
 MCF sold _____
 MCF blown to air (difference) _____
 Gas Purchaser _____

Used for Gas Lift
 _____ MCF used on lease.
 _____ MCF used on _____ lease.
 _____ MCF used on _____ lease.

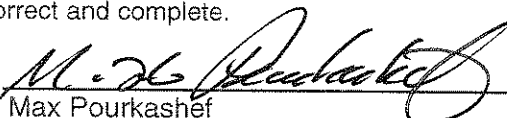
SUMMARY

Barrels of oil produced and marketed during month _____ 0.00
 Tax at \$0.10 per barrel _____ \$0.00
 MCF Gas produced and marketed during month _____ 0.00
 Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ _____

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: 
 Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 14-Jun ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED
 MAY 22 2006

PRODUCER'S MONTHLY REPORT

Division of Minerals

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: _____ Pool: Grant Canyon County: Nye Month of: April 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 7 | 625 | 21 | 4N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| TOTALS | | | | | 0.00 | 0.00 | | 0 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbbs to Pipeline | Bbbs to Truck or R.R. | Name of Transporter | | |
| 1 | 0 | 0 | | 0 | | 0 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|---|---------------|
| Barrels of oil produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | <u>\$0.00</u> |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | <u>\$0.00</u> |

Total tax monies remitted herewith to Department of Minerals _____ \$ -

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *Max Pourkashev*
Max Pourkashev

Position: Production Accounting

Telephone: (714) 939-7560

Date: 12-May, 2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

use Grant Canyon reports

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAY 22 2006

PRODUCER'S MONTHLY REPORT

Division of Minerals

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: NVN 53719 Pool: Grant Canyon County: Nye Month of: April 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 9 | 642 | 21 | 7N | 57E | 4498.38 | 4612.08 | 25.9 | 15814 | 0 | | | 30 | POW |
| TOTALS | | | | | 4498.38 | 4612.08 | | 15814 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 415 | 4498.38 | 4612.08 | | Foreland | 301.3 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|--|-----------|
| Barrels of oil produced and marketed during month _____ | 4,612.08 |
| Tax at \$0.10 per barrel _____ | \$461.21 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |
| Total tax monies remitted herewith to Department of Minerals _____ | \$ 461.21 |

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *Max Pourkashif*
Max Pourkashif

Position: Production Accounting

Telephone: (714) 939-7560

Date: 12-May, 2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAY 22 2006

PRODUCER'S MONTHLY REPORT

Division of Minerals

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: GRANT CANYON UNIT Pool: Grant Canyon County: Nye Month of: April 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 3 | 375 | 16 | 7N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| 22-21 | 705 | 21 | 7N | 57E | 941.11 | 905.91 | 25.9 | 17332 | 0 | | | 30 | POW |
| TOTALS | | | | | 941.11 | 905.91 | | 17332 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 378.5 | 941.11 | 905.91 | | Foreland | 413.7 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|---|---------|
| Barrels of oil produced and marketed during month _____ | 905.91 |
| Tax at \$0.10 per barrel _____ | \$90.59 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |

Total tax monies remitted herewith to Department of Minerals _____ \$ 90.59

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *Max Pourkashef*
Max Pourkashef

Position: Production Accounting

Telephone: (714) 939-7560

Date: 12-May, 2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance.
Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

APR 18 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: GRANT CANYON UNIT Pool: Grant Canyon County: Nye Month of: March 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 3 | 375 | 16 | 7N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| 22-21 | 705 | 21 | 7N | 57E | 821.82 | 689.22 | 25.9 | 17384 | 0 | | | 31 | POW |
| TOTALS | | | | | 821.82 | 689.22 | | 17384 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbbs to Pipeline | Bbbs to Truck or R.R. | Name of Transporter | | |
| 1 | 245.9 | 821.82 | 689.22 | | Foreland | 378.5 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|--|--------------|
| Barrels of oil produced and marketed during month _____ | 689.22 |
| Tax at \$0.10 per barrel _____ | \$68.92 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |
| Total tax monies remitted herewith to Department of Minerals _____ | \$ 68.92 |

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *Max Pourkash*
Max Pourkash

Position: Production Accounting

Telephone: (714) 939-7560

Date: 13-Apr ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

APR 18 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: _____ Pool: Grant Canyon County: Nye Month of: March 2006

| Location | | | | | Oil and Water (BBL.S.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|------------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 7 | 625 | 21 | 4N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| TOTALS | | | | | 0.00 | 0.00 | | 0 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 0 | 0 | | 0 | | 0 | |

GAS

MCF used on lease 0 Used for Gas Lift
MCF sold _____ MCF used on lease.
MCF blown to air (difference) _____ MCF used on _____ lease.
Gas Purchaser _____ MCF used on _____ lease.

SUMMARY

Barrels of oil produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00
MCF Gas produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ -

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: Max Pourkashef
Max Pourkashef

Position: Production Accounting

Telephone: (714) 939-7560

Date: 13-Apr ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

APR 18 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: NVN 53719

Pool: Grant Canyon

County: Nye

Month of:

March

2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 9 | 642 | 21 | 7N | 57E | 4776.92 | 4930.12 | 25.9 | 14983 | 0 | | | 28 | POW |
| TOTALS | | | | | 4776.92 | 4930.12 | | 14983 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbbs to Pipeline | Bbbs to Truck or R.R. | Name of Transporter | | |
| 1 | 568.2 | 4776.92 | 4930.12 | | Foreland | 415 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

Barrels of oil produced and marketed during month _____ 4,930.12
Tax at \$0.10 per barrel _____ \$493.01
MCF Gas produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ 493.01

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: 
Max Pourkashif

Position: Production Accounting

Telephone: (714) 939-7560

Date: 13-Apr 2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 29 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: GRANT CANYON UNIT Pool: Grant Canyon County: Nye Month of: February 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 3 | 375 | 16 | 7N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| 22-21 | 705 | 21 | 7N | 57E | 748.53 | 758.83 | 25.9 | 16005 | 0 | | | 28 | POW |
| TOTALS | | | | | 748.53 | 758.83 | | 16005 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbbs to Pipeline | Bbbs to Truck or R.R. | Name of Transporter | | |
| 1 | 256.2 | 748.53 | 758.83 | | Foreland | 245.9 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

Barrels of oil produced and marketed during month _____ 758.83
Tax at \$0.10 per barrel _____ \$75.88
MCF Gas produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ 75.88

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: Max Pourkashaf
Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 23-Mar ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 29 2006

PRODUCER'S MONTHLY REPORT

Division of Minerals

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: _____ Pool: Grant Canyon County: Nye Month of: February 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 7 | 625 | 21 | 4N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| TOTALS | | | | | 0.00 | 0.00 | | 0 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbbs to Pipeline | Bbbs to Truck or R.R. | Name of Transporter | | |
| 1 | 0 | 0 | | 0 | | 0 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

Barrels of oil produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00
MCF Gas produced and marketed during month _____ 0.00
Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ -

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *Max Pourkashef*
Max Pourkashef

Position: Production Accounting

Telephone: (714) 939-7560

Date: 23-Mar ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 29 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: NVN 53719

Pool: Grant Canyon

County: Nye

Month of: February

2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 9 | 642 | 21 | 7N | 57E | 4337.57 | 4141.87 | 25.9 | 13470 | 0 | | | 28 | POW |
| TOTALS | | | | | 4337.57 | 4141.87 | | 13470 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 372.5 | 4337.57 | 4141.87 | | Foreland | 568.2 | |

GAS

MCF used on lease 0
 MCF sold _____
 MCF blown to air (difference) _____
 Gas Purchaser _____

Used for Gas Lift
 _____ MCF used on lease.
 _____ MCF used on _____ lease.
 _____ MCF used on _____ lease.

SUMMARY

| | |
|---|----------|
| Barrels of oil produced and marketed during month _____ | 4,141.87 |
| Tax at \$0.10 per barrel _____ | \$414.19 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |

Total tax monies remitted herewith to Department of Minerals _____ \$ 414.19

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *M. H. Pourkashaf*
 Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 23-Mar ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 02 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: GRANT CANYON UNIT Pool: Grant Canyon County: Nye Month of: January 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 3 | 375 | 16 | 7N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| 22-21 | 705 | 21 | 7N | 57E | 857.07 | 943.37 | 25.9 | 17104 | 0 | | | 31 | POW |
| TOTALS | | | | | 857.07 | 943.37 | | 17104 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 342.5 | 857.07 | 943.37 | | Foreland | 256.2 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|--|----------|
| Barrels of oil produced and marketed during month _____ | 943.37 |
| Tax at \$0.10 per barrel _____ | \$94.34 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |
| Total tax monies remitted herewith to Department of Minerals _____ | \$ 94.34 |

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: *M. M. Pourkashaf*
Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 27-Feb ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 02 2006

PRODUCER'S MONTHLY REPORT

Division of Minerals

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: _____ Pool: Grant Canyon County: Nye Month of: January 2006

| Location | | | | | Oil and Water (BBL.S.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|----------|------------|-----|------|------|------------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 7 | 625 | 21 | 4N | 57E | 0.00 | 0.00 | | 0 | 0 | | | 0 | TA |
| TOTALS | | | | | 0.00 | 0.00 | | 0 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|------------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbils to Pipeline | Bbils to Truck or R.R. | Name of Transporter | | |
| 1 | 0 | 0 | | 0 | | 0 | |

GAS

MCF used on lease 0
 MCF sold _____
 MCF blown to air (difference) _____
 Gas Purchaser _____

Used for Gas Lift
 _____ MCF used on lease.
 _____ MCF used on _____ lease.
 _____ MCF used on _____ lease.

SUMMARY

Barrels of oil produced and marketed during month _____ 0.00
 Tax at \$0.10 per barrel _____ \$0.00
 MCF Gas produced and marketed during month _____ 0.00
 Tax at \$0.10 per barrel _____ \$0.00

Total tax monies remitted herewith to Department of Minerals _____ \$ _____

Remarks:

I hereby certify that the information given herewith is true, correct and complete

Name: *Max Pourkashaf*
 Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 27-Feb, 2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.

State of Nevada
 Department of Minerals
 400 W. King Street, Suite 106
 Carson City, Nevada 89703
 Telephone (702) 687-5050

RECEIVED

MAR 02 2006

Division of Minerals

PRODUCER'S MONTHLY REPORT

This report to be filed by the end of the month following the month herein reported.

Company: **MAKOIL, INC.**

Address: 500 N. Rainbow Blvd., Suite 300
Las Vegas, NV 89107

Lease: NVN 53719 Pool: Grant Canyon County: Nye Month of: January 2006

| Location | | | | | Oil and Water (BBLs.) | | | | Gas | | | No. Days Prod. | Status: Flowing, Pumping, Gas Lift, etc. |
|---------------|------------|-----|------|------|-----------------------|---------------|-------|---------------|--------------------|---------------|--------------|----------------|--|
| Well No. | Permit No. | Sec | Twp. | Rge. | Net Oil Prod.* | Net Oil Sold* | Grav. | Water Prod.** | Tot. Gas Prod. MCF | Gas-Oil Ratio | Date of Test | | |
| 9 | 642 | 21 | 7N | 57E | 4816.94 | 4849.14 | 25.9 | 14899 | 0 | | | 31 | POW |
| TOTALS | | | | | 4816.94 | 4849.14 | | 14899 | | | | | |

Report distillate, condensate or other liquid hydrocarbons (other than oil) in this column preceded by an asterisk().

**Method of determining water production: Shake out _____ Estimate _____ Draw off _____

(The following report is on a lease basis.)

| No. of Wells | Total amount of oil on lease at beginning of month | Actual oil Produced | Disposition of Oil | | | Total amount of oil on lease | Total amt. Lease Tank Capacity |
|--------------|--|---------------------|--------------------|-----------------------|---------------------|------------------------------|--------------------------------|
| | | | Bbls to Pipeline | Bbls to Truck or R.R. | Name of Transporter | | |
| 1 | 404.7 | 4816.94 | 4849.14 | | Foreland | 372.5 | |

GAS

MCF used on lease 0
MCF sold _____
MCF blown to air (difference) _____
Gas Purchaser _____

Used for Gas Lift
_____ MCF used on lease.
_____ MCF used on _____ lease.
_____ MCF used on _____ lease.

SUMMARY

| | |
|---|----------|
| Barrels of oil produced and marketed during month _____ | 4,849.14 |
| Tax at \$0.10 per barrel _____ | \$484.91 |
| MCF Gas produced and marketed during month _____ | 0.00 |
| Tax at \$0.10 per barrel _____ | \$0.00 |

Total tax monies remitted herewith to Department of Minerals _____ \$ 484.91

Remarks:

I hereby certify that the information given herewith is true, correct and complete.

Name: 
Max Pourkashaf

Position: Production Accounting

Telephone: (714) 939-7560

Date: 27-Feb ,2006

INSTRUCTIONS: Prepare in quadruplicate. First three copies to Department of Minerals with remittance. Last copy for your file.