STATE OF NEW MEXICO STATE OF NEW MEANCO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION DIVISION** FEB 24 PM 12441 CASE NO. 251 IN THE MATTER OF THE HEARING CALLED **BY THE OIL CONSERVATION DIVISON** FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF LANCE OIL & GAS COMPANY, INC. TO AMEND DIVISION ORDER R-11788 INCLUDE SUBSEQUENT OPERATIONS AND OPTIONAL INFILL GAS WELL PROVISIONS FOR COMPULSORY POOLING, **RIO ARRIBA COUNTY, NEW MEXICO**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Lance Oil & Gas Company, Inc. as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

- **†** 1

ATTORNEY

Lance Oil & Gas Company, Inc. P.O. Box Famington, New Mexico 87499 Attn: Anne Jones Phone 505-598-5601 Fax: 505-598-6210

W. Thomas Kellahin P. O. Box 2265 Santa Fe, New Mexico 87504 505-982-4285 Fax: 505-982-2047

OPPONENT

ATTORNEY

none

none

STATEMENT OF THE CASE

APPLICANT:

Lance Oil & Gas Company, Inc. seeks a amend Division Order R-11788 compulsory pooling to include subsequent operations and optional infill gas well provisions the E/2 of Section 7, T29N, R14W for production from the Pictured Cliffs formation and the Basin Fruitland Coal Gas Pool to be dedicated to its proposed ROPCO "7" Well No. 4 located in Unit O of this section and to the existing Ropco "7" Well No. 1 located in Unit G of this section. The applicant also seeks a 200% risk charge pursuant to Commission's Order R-11992.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME EST. EXHIBITS

Anne Jones (Landman) Paul Lehrman (Landman) *a* 20- min.*a* 20-min

8 exhibits

PROCEDURAL MATTERS

None at this time.

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