

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION  
FOR THE PURPOSE OF CONSIDERING:**

**APPLICATION OF LANCE OIL & GAS COMPANY, INC.  
FOR COMPULSORY POOLING  
SAN JUAN COUNTY, NEW MEXICO**

**CASE NO. 13793**

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF THE PARTIES**

**APPLICANT**

Lance Oil & Gas Company, Inc.  
P. O. Box 70  
Kirtland, New Mexico 87417  
Attn: Anne Jones  
Phone 505-598-5601  
Fax: 505-598-6210

**ATTORNEY**

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

**OPPONENTS**

Carolyn Visage Allred  
Mabel Garcia

**ATTORNEY**

none

*WVS 10/24/06*

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### STATEMENT OF THE CASE

#### APPLICANT:

Lance Oil & Gas Company, Inc. seeks an order pooling all mineral interests to the Basin Fruitland Coal-Gas Pool underlying the W/2 of Section 18, T29N, R14W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool. This unit is to be dedicated its KLOG "18" Well No. 2 to be drilled at a standard gas well location in the SW/4NW/4 (Unit E) of this section for production from the Basin Fruitland Coal Gas Pool. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Lance Oil & Gas Company, Inc. as the operator of the well and a 200% charge for risk involved in this well pursuant to Commission Order R-11992. This unit is located approximately 1/2 mile Southeast from the center of Kirkland, New Mexico. In the absence of objection, this matter will be taken under advisement.

### PROPOSED EVIDENCE

#### APPLICANT

WITNESSES	EST. TIME	EST. EXHIBIT
Anne Jones (Landman)	@ 20-min	@ 10 exhibits

### PROCEDURAL MATTERS

None at this time.

KEELLAHIN & KELLAHIN



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