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MAY 25 2005
OIL CONSERVATION
DIVISION

May 24, 2005

Oil Conservation Division
1220 South Saint Francis
Santa Fe, New Mexico 87505

Re: Written Application for De Novo Hearing in Case No. 13437, Order No. R-12339

To Whom It May Concern:

My name is James Thomas Robbins. I am the owner of the mineral rights attached to my residential real property in San Juan County. Lance Oil and Gas Company, Inc. (Lance) is a company seeking to obtain oil and gas mineral interests in San Juan County, New Mexico. I opposed and continue to oppose the transfer of my mineral interests to Lance.

I objected to the "Application of Lance Oil and Gas Company, Inc. for Compulsory Pooling, San Juan County, New Mexico." A hearing on this application was held on April 7, 2005. I was made a party of record by entering my appearance and stating objections to the pooling at the hearing on April 7. The hearing officer for the division reviewed the case and approved the Application of Lance Oil and Gas Company. The order regarding my mineral rights and the Application of Lance was filed on April 26, 2005 as Order No. R-12339. This order did not fully address my objections to the pooling while at the same time forcing my mineral rights to be pooled into a well that will be operated by Lance. I was adversely affected by this order because my mineral rights were forcibly pooled into a well that is controlled by Lance Oil and Gas over my objections. It was disclosed at the April 7 hearing that Lance failed to negotiate with me regarding the use or pooling of my mineral rights as is common with the wish of one party to obtain the use of property that belongs to another.

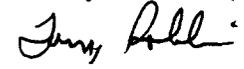
Pursuant to the Administrative Rules of the Oil Conservation Division, Rule No. 19.15.14.1220 (A), I am filing a request for a de novo hearing before the commission.

Oil Conservation Division Rule 19.15.14.1220 (B) requires that an order have a proposed stay order attached to any de novo hearing request. Such an order is irrelevant to my situation because Lance had drilled its proposed well before the Order of the OCD's Hearing Examiner was entered on April 26, 2005. However, I still have enclosed a proposed stay order pursuant to the rule.

If there are any questions or concerns, please feel free to contact me.

Sincerely,

Tommy Robbins (James Thomas Robbins)

A handwritten signature in cursive script, appearing to read "Tommy Robbins".

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Kirtland NM 87417

(505) 598 9441

**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:**

**CASE NO. 13437
ORDER NO. R-12339**

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came before the Commission pursuant to Oil Conservation Division Administrative Rule 19.15.14.1220 and the written application of the adversely affected James Thomas Robbins,

NOW, on this 25th day of May, 2005, the Division Director, having considered the Order of the Division, the applicable Administrative Rules of the Oil Conservation Division and the Written Application of James Thomas Robbins,

FINDS THAT:

(1) Oil Conservation Division Administrative Rule 19.15.14.1220 allows for the de novo hearing by the Commission upon the written application of an adversely affected party of record.

(2) The Lance Oil and Gas Company, Inc. filed the "Application of Lance Oil and Gas Company, Inc. for Compulsory Pooling, San Juan County, New Mexico". This Application was registered with OCD as Case No. 13437.

(3) The hearing on this Application was held on April 7, 2005.

(4) James Thomas Robbins objected to the Application, entered his appearance at the hearing, appeared at the hearing.

(5) The Hearing Examiner issued Order No. R-12339 on April 26, 2005.

(6) James Thomas Robbins is a party of record adversely affected by Order No. R-12339.

(6) James Thomas Robbins filed his written application for a de novo hearing on May 25, 2005 in accordance with Oil Conservation Division Administrative Rule 19.15.14.1220.

IT IS THEREFORE ORDERED THAT:

- (1) Pursuant to Oil Conservation Division Administrative Rule 19.15.14.1220 a stay order is entered in this case.
- (2) Lance Oil and Gas Company is prohibited from any continued drilling or well operation, extraction of minerals, or any other related activity the pooled unit granted in Order No. R-12339 until a de novo review of the Lance Application in Case No. 13437 and in Order No. R-12339 is completed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.
Director

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