



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 10, 2006

Ms. Anne Jones
Sr. Landman
Lance Oil & Gas Company, Inc.
Post Office Box 70
Kirtland, New Mexico 87417

Dear Ms. Jones:

Based upon the reasons stated in your letter of May 8, 2006, and in accordance with the provisions of Division Order No. R-12453, Lance Oil & Gas Company, Inc. is hereby granted an additional extension of time until September 29, 2006, in which to commence the drilling of the wells pooled by this order.

Sincerely,

Mark E. Fesmire, P.E.

Director

fd/

cc: ✓ Case No. 13574
OCD – Aztec

LANCE OIL & GAS COMPANY, INC.

PO Box 70



May 8, 2006

Mr. Mark E. Fesmire, P. E.
New Mexico Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Compulsory Pooling Order R-12453
N/2 Section 17, T29N-R13W, NMPM
San Juan County, New Mexico

Dear Mr. Fesmire:

Lance Oil & Gas Company, Inc. requests an extension for the drilling of the subject wells pursuant to the subject order. Lance is in the process negotiating ROW and well pad access for the infill well for this order. In addition the rig used to drill has been released and will not be available until end of August or first of September 2006.

Your consideration in this matter would be appreciated.

Should you have any questions please contact me at (505) 598-5601 extension 5562.

Yours truly,

A handwritten signature in cursive script, appearing to read "Anne Jones".

Anne Jones
Sr. Landman