



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 8, 2005

W. Thomas Kellahin Esq. of Kellahin & Kellahin
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Co-Attorney for Lance Oil & Gas Company, Inc.
PO Box 2265
Santa Fe, NM 87504

RE: MOTION TO CONTINUE AND TO CONSOLIDATE THE FOLLOWING CASES:

Case: 13539 Application of Synergy Operating, LLC. for Compulsory Pooling, San Juan County, NM, and Case: 13537 Application of Lance Oil & Gas Company, Inc. for Compulsory Pooling including two wellbores and optional infill coal-gas well provisions, San Juan County, New Mexico

Dear Sir:

The Division received your motion to continue and consolidate these two cases. Case No. 13539 is currently on the August 11, 2005, docket. Case No. 13537 is on the August 25, 2005, docket.

The Division contacted Mr. James Bruce, Esq. as attorney for the applicant (Synergy Operating, LLC) in Case No. 13539. Mr. Bruce is opposed to a continuance.

However, for the reasons outlined, the Division will grant your motion to continue these two cases to the examiner hearing on August 25, 2005.

The decision to combine the two cases should be made at that hearing by the appointed hearing examiner after hearing from all parties.

*Filed To all 3 parties 8/8/05
Will Jones*

Thank You,

A handwritten signature in black ink, appearing to read "Will Jones", with a stylized flourish at the end.

William V. Jones P.E.
Hearing Officer

Copied by Fax 505-982-2151 to:
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