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 SYNERGY OPERATING. LLC FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

Case No. 13,663

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Synergy Operating, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Synergy Operating, LLC Post Office Box 5513

Farmington, New Mexico 87499

(505) 334-4993

APPLICANT'S ATTORNEY James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention: Patrick Hegarty

OPPONENTS

Edwin Smith, LLC

OPPONENTS' ATTORNEYS

Derek V. Larson

Jerry Walmsley, Trustee

J. Scott Hall

STATEMENT OF THE CASE

APPLICANT

Synergy Operating, LLC requested an extension of time to complete the Duff Well No. 105. Syncrgy Operating, LLC has complied, or substantially complied, with the pooling order (No. R-12629), and there is good cause for an extension of time to complete the well. If necessary, the pooling order should be reinstated.

OPPONENTS

2003

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Patrick Hegarty

(landman)

(engineer)

15 min.

Approx. 2

15 min.

Approx. 2

OPPONENTS

<u>WITNESSES</u>

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

James Bruce

Post Office Box 1056

Respectfully submitted,

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Synergy Operating, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record, via facsimile transmission, this day of March, 2007:

J. Scott Hall
Miller Stratvert P.A.
P.O. Box 1986
Santa Fe, New Mexico 87504
(505) 989-9857

Derek. Larson
Sutin, Thayer & Browne
P.O. Box 1945
Albuquerque, New Mexico 87103
(505) 888-6565

James Bruce