New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



April 14, 2009

Patrick Hegarty Principal Synergy Operating, LLC P.O. Box 5513 Farmington, NM 87499

Re: Request For A Second Extension of Time To Drill Powers 29-13-7 Well No. 110 Pursuant to Division Order No. R-12993.

Dear Mr. Hegarty:

The Oil Conservation Division (OCD) received your letter dated April 7, 2009 regarding the above subject on April 10, 2009. The OCD has reviewed your request and hereby grants you a second extension to commence the drilling of MacDonald Orchard 29-13-7 Well No. 109 on or before April 30, 2010.

Should the drilling of this well not be commenced on or before April 30, 2010, the Division Order No. R-12993 shall expire, unless you obtain another extension of time for good cause demonstrated by satisfactory evidence.

Please contact Richard Ezeanyim at 505-476-3467 if you have any questions.

Sincerely,

Mark E. Fesmire, P.E. Director

Cc: Oil Conservation Division District III - Aztec



Oil Conservation Division 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3440 • Fax (505) 476-3462 • <u>www.emnrd.state.nm.us/OCD</u>



PO Box 5513 Farmington, NM 87499 (505) 325-5449 Fax (505) 566-3750

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April 7, 2009

Mark E. Fesmire, P.E. Director Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Request For Second Extension of Time Powers 29-13-7 #110 Unit F E/2 of section 7, T29N R11W Case No. 14174, Order No. R-12993

Gentlemen:

Please be advised that Synergy Operating, LLC is hereby requesting a second extension to drill the captioned well because the Department of Interior Bureau of Land Management has recently accepted their ownership of 15.97 acres of minerals in section 7 in T29N., R13W NMPM which is unleased. Being that we cannot force pool the BLM's mineral interest we must wait.

We respectfully request an extension of time till December 31, 2009 to begin drilling operations.

Sincerely, Synergy Operating, LLC

Patrick Hegarty

Principal

XC: James Bruce