

Earnest R. Smith, Sr. - Operator**Claude Smith #1 - Summary of Cash Receipts and Disbursements**

October 1, 2004 through December 31, 2004

CASH RECEIPTS

Net Amount Received After Processing Costs \$15,308.02

CASH DISBURSEMENTS

Production Taxes \$1,397.35

Operating Expenses 4,548.70

Property Taxes 148.91TOTAL 6,094.96NET RECEIPTS 9,213.06

Royalty - 12 1/2% 1,735.44

Jennie H. Hill Walmsley Bypass Trust 0.50 867.72
c/o J T Walmsley
W. 801 Paradise Road
Spokane, Wa 99224

Joe Robbins 0.03125 54.23
2136 N. Lakeshore Dr
Chapel Hill, NC 27514

Earnest R Smith 0.46875 813.49
40758 Jasper Dr.
Kingsburg, Ca 93631

OVERRIDING ROYALTY

Amoco Production Co. 0.00195 27.13
P.O Box 651042
Dallas, Texas 75265

WORKING INTEREST 7,450.48

Earnest R Smith 0.789475 5,881.97

Synergy Operating, LLC 0.210525 1,568.51

LIFE CONSERVATION DIVISION
CASE NUMBER
EXHIBIT NUMBER 8

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EARNEST R SMITH SR
EDWIN LEROY SMITH SR
NEW MEXICO ACCOUNT
40758 JASPER DR (559) 897-2560
KINGSBURG, CA 93631

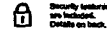
692

Date 12/29/04

11-35/1210
810

Pay to the order of SYNERGY OPERATING LLC \$ 1568.51

FIFTEEN HUNDRED SIXTY-EIGHT 51/100 Dollars



Bank of America.



Valued Customer
OVER 50 YEARS

Kingsburg
1490 Draper St
Kingsburg CA
569.897.1013

For _____

Earnest R. Smith Jr.

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