BEFORE THE NEW MEXICO OF CONSERVATION DIVISION

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

Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

STIPULATION FOR CONTINUANCE AND STAY

Synergy Operating, LLC, Edwin Smith, LLC, and Jerry Walmsley, Trustee jointly file this stipulation.

I. STIPULATION FOR A CONTINUANCE.

This matter is currently scheduled for hearing on November 10, 2005. The parties jointly stipulate that this matter be continued to the January 2006 Commission hearing.

II. <u>STIPULATION FOR STAY</u>.

The parties jointly stipulate to a stay of Order No. R-12,376 through January 31, 2006. As part of the stay, Synergy Operating, LLC will not commence drilling its Duff 29-11-8 Well No. 104, to be located in the NW¹/₄ of Section 8, Township 29 North, Range 11 West, NMPM, until the stay expires or is dissolved. Because the parties stipulate to this stay, a proposed stay order is <u>not</u> filed with this pleading.

Respectfully submitted,

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Approved by e-mail 10/31/05

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Attorneys for Edwin Smith, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record, in the manner indicated, this $3\sqrt{2}$ day of November, 2005:

<u>Via U.S. Mail</u> David K. Brooks Oil Conservation Commission 1220 South St. Francis Drive Santa Fe, New Mexico 87505

<u>Via U.S. Mail</u> Joseph C. Robbins 2136 North Lakeshore Drive Chapel Hill, North Carolina 27514

Pheee

James Bruce

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF:

CASE NO. 13486

APPLICATION OF SYNERGY OPERATING, LTD FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO

ORDER NO. R-12376-B

ORDER OF THE DIVISION

BY THE DIVISION:

THIS MATTER came before the Director of the Oil Conservation Division (the Division) for consideration on September 29, 2005 at Santa Fe, New Mexico on the joint application of Synergy Operating, LLC, Edwin L. Smith LLC and Jerry Walmsley, Trustee for a stay of Division Order No. R-12376, and the Director, having reviewed the matter and carefully considered the same, now, on this 3rd day of October, 2005,

FINDS THAT:

All parties in interest have agreed to the requested stay, and it should therefore be granted.

IT IS THEREFORE ORDERED THAT:

(1) Order No. R-12376 is hereby stayed until December 1, 2005.

(2) Synergy Operating, LLC shall not commence drilling its Duff 29-11-8 Well No. 104, to be located in the Northwest Quarter of Section 8, Township 29 North, Range 11 West, NMPM, until this order expires or is dissolved.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.