

Duran-Saenz, Theresa, EMNRD

From: JamesBruc@aol.com
Sent: Thursday, April 06, 2006 11:12 AM
To: Duran-Saenz, Theresa, EMNRD
Cc: Davidson, Florene, EMNRD
Subject: May 11th hearing
Attachments: synergy-pad-fp-madrid.doc

Attached is a proposed ad for a case that is being re-advertised for the above hearing.

Jim Bruce

PROPOSED ADVERTISEMENT

Case No. 13662 (continued and readvertised): Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 6, Township 29 North, Range 13 West, NMPM, and in the following manner: Lots 2-5, 8, 9, 11-13, S/2/NW/4NE/4NE/4, S/2SW/4NE/4NE/4, S/2NE/4, and the SE/4NW/4 (the N/2) to form a non-standard 248.11-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing, including the Basin-Fruitland Coal Gas Pool; Lots 2, 8, 9, 11-13, S/2/NW/4NE/4NE/4, S/2SW/4NE/4NE/4, and the S/2NE/4 (the NE/4) to form a standard 159.82-acre gas spacing and proration unit for all pools or formations developed on 160 acre spacing, including the West Kutz-Pictured Cliffs Gas Pool; and Lots 3-5 and the SE/4NW/4 (the NW/4) to form a non-standard 88.29-acre gas spacing and proration unit for all pools or formations developed on 160 acre spacing, including the West Kutz-Pictured Cliffs Gas Pool. The units are to be dedicated to the Madrid 29-13-6 Well No. 111, to be located at an orthodox location in the NE/4 of Section 6, and the Madrid 29-13-6 Well No. 112, to be located at an orthodox location in the NW/4 of Section 6. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located approximately 1 mile west of Farmington, New Mexico.