

(19)

**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. 14,033

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Synergy Operating, LLC
Post Office Box 5513
Farmington, New Mexico 87499
(505) 334-4993

Attention: Patrick Hegarty

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the following described acreage in Section 8, Township 29 North, Range 11 West, NMPM, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any pools or formations developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool; the NW/4 to form a standard 160-acre gas spacing and proration for any pools or formations developed on 160-acre spacing within that vertical extent; and the SW/4 to form a standard 160-acre gas spacing and proration for any pools or formations developed on 160-acre spacing within that vertical extent. The units are to be dedicated to: The Duff 29-11-8 Well No. 104, located in the NW/4NW/4 of Section 8; and the Duff 29-11-8 Well No. 105, located in the NW/4SW/4 of Section 8. 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.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Patrick Hegarty (landman)	15 min.	Approx. 6

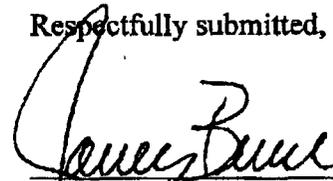
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Attorney for Synergy Operating, LLC