

**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 AND A NON-  
STANDARD GAS SPACING AND PRORATION  
UNIT, SAN JUAN COUNTY, NEW MEXICO.**

**Case No. 14,175**

**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 Lots 1-4 and the E/2W/2 (the W/2) of Section 7, Township 29 North, Range 13 West, NMPM, to form a non-standard 179-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the MacDonald Orchard 29-13-7 Well No. 109, to be located at an orthodox location in the SE/4NW/4 of Section 7. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of

applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Patrick Hegarty  
(landman)

20 min.

Approx. 6

IF THIS MATTER IS UNOPPOSED IT MAY BE SUBMITTED BY AFFIDAVIT.

OPPONENT

WITNESSES

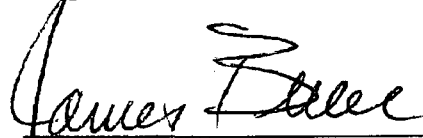
EST. TIME

EXHIBITS

**PROCEDURAL MATTERS**

-None-

Respectfully submitted,



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

Attorney for Synergy Operating, LLC