

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jon Goldstein**  
Cabinet Secretary

**Jim Noel**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



Patrick Hegarty, Principal  
Synergy Operating, LLC.  
P.O. Box 5513  
Farmington, New Mexico 87499

**Re:** Request for extension to commence the drilling of Synergy Operating, L.L.C. MacDonald Orchard 29-13-7 Well No. 109, Pursuant to Division Order No. R-12994

Dear Mr. Hegarty:

The Oil Conservation Division (OCD) received your letter dated April 21, 2010, regarding the referenced subject on April 26, 2010. The OCD has reviewed your request and hereby extends the date to commence the drilling of this well to December 31, 2011, **as long as the operator does not use this extension to hold monies already paid by participating working interest owners.**

The operator shall do the following for any future request for extension of time to drill this well:

- (a) Give notice to all the original locatable interest owners in the pooled unit;
- (b) Wait for twenty (20) days to give the interest owners the opportunity to object or not;
- (c) If no objection is received after 20 days, then the operator shall submit the request with proof of notice; and
- (d) If any objection is received, the operator shall set the case for hearing before any extension may be granted

If you have any question, please contact Richard Ezeanyim at (505)-476-3467

Sincerely;

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", followed by a horizontal line.

Mark E. Fesmire, P.E.  
Acting Director

Cc: Oil Conservation Division District III – Aztec





# Synergy Operating, LLC

PO Box 5513  
Farmington, NM 87499  
(505) 325-5449  
Fax (505) 599-4900

April 21, 2009

Mark E. Fesmire, P.E. Director  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

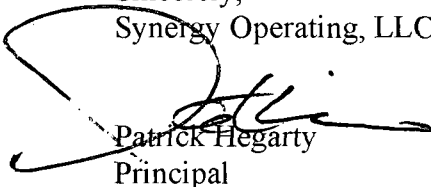
Re: Request For Second Extension of Time  
MacDonald Orchard 29-13-7 Well No. 109  
Unit F E/2 W/2 (W/2 equivalent) of section 7, T29N R11W  
Case No. 14175, Order No. R-12994

Gentlemen:

Please be advised that Synergy Operating, LLC is hereby requesting an additional extension to drill the captioned well due to low gas prices. It is in the best interests of the state for an Operator to drill an economic well, which is impossible due to the low gas prices and high operating costs associated with the disposal of the water inherent with coal gas operations.

We respectfully request an extension of time till December 31, 2011 to begin drilling operations.

Sincerely,  
Synergy Operating, LLC



Patrick Hegarty  
Principal

XC: James Bruce