



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
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AZTEC NM 87410
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[http://emmrds.state.nm.us/ocd/District III/district.htm](http://emmrds.state.nm.us/ocd/District%20III/district.htm)

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

Certified Receipt #Z 437 489 429

November 10, 1999

Synergy Operating LLC
Attn Glenn Papp
P. O. Box 5513
Farmington, NM 87499-5513

RE: Oil on Pits at Snake Eyes Field, Section 20-21N-08W

Dear Mr. Papp:

My compliance letter, dated June 28, 1999, directed Synergy to file a pit closure schedule for the earthen pits in section 20-21N-08W, the New Mexico Oil Conservation Division (OCD) still has not received a schedule for pit closures at Snake Eyes Field. Synergy must submit in writing a closure schedule and work plan for these earthen pits by November 25, 1999. Please note that all remedial work, including land farming, should be targeted for completion by July 1, 2000 to comply with OCD Rule 202. B. 3. a,b,c,d which is necessary for final P&A approval and release of bonds.

Some oil still remains on earthen pits at the Santa Fe H2O #1, 30-045-22291 and the Santa Fe H2O #3, 30-045-22658. The oil must be removed by November 25, 1999, to be in compliance with OCD Rule 13. B. and Rule 105. B.

If you have questions please call me at (505)334-6178, ext. 15.

Yours truly,

Denny G. Foust
Environmental Geologist

DGF/mk

XC: DGF File
Operator File
Well Files
CP File