

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Synergy Operating, LLC

3. Address and Telephone No.
 PO Box 5513 (505) 325-5449
 Farmington, NM 87499

4. Location of Well (Footage, Sec, T. R., M, or Survey Description)
 1905' FSL & 1604' FWL Sec 28, T29N, R04W

5. Lease Designation and Serial No.
 NMNM-18327

6. If Indian, Alottee or Tribe Name

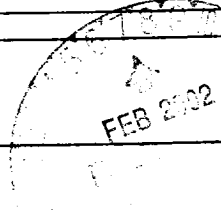
7. If Unit or CA, Agreement Designation

8. Well Name and No.
 29-4 Carson 28 # 1

9. API Well No.
 30-039-2467300

10. Field and Pool, or Exploratory
 Wildcat NACIMIENTO (GAS)

11. County or Parish, State
 Rio Arriba County
 New Mexico



12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or recompletion Report and Log Form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including, estimated date of starting work.
 If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones of pertinent to this work.

SYNERGY OPERATING SUBMITS THE FOLLOWING INFORMATION, FOLLOWING UP UPON THE 8/9/2000 TIGHT HOLE SUBMITTAL.

08-15-2000 MIRU KEY RIG # 30. POOH W/ PUMP & RODS.
 08-16-2000 NU BOPE. TEST EQUIP. COOH W/ TUBING. RU BASIN PERFORATORS. RUN 5-1/2" GAUGE RING TO 2900'.
 RIH W/ 5-1/2" CIBP. SET CIBP @ 2820'. RUN DUMP BAILER AND PLACE 3 SXS CEMENT ON TOP OF CIBP @ 2820'.
 LOAD CASING WITH 42 BBLs WATER. TEST CASING TO 500 PSI FOR 30 MINUTES. GOOD TEST.
 SQZ HOLE AT 1560' AND EIGHT (8) PERFORATIONS NOT BROKEN DOWN AS SUSPECTED PREVIOUSLY.
 BASIN PERFORATE ADDITIONAL NACIMIENTO PERFS FROM 2724' TO 2730' (6') @ 2 SPF, AND 2602' TO 2608' (6') @ 2 SPF
 GIH W/ PACKER ON TBG. SET PKR AT 2796'. TEST TUBING AND CIBP TO 4000 PSI. GOOD TEST. RELEASE PRESS
 RESET PKR AT 2676'. BD Perfs from 2724' to 2741' (12 New + 4 Old) 16 Holes with Water. Broke @ 1600 psi.
 Acidize & Ball-Off with 250 gallons 10% Acetic Acid & 25 - 1.3 SG 7/8" RCN Ball Sealers. Ball Off to 5000 psi. Surge Off.
 Establish Rate of 2 BPM @ 450 psi. ISIP 310. ND BJ. Release PKR. Stand Back 2 Stands. Set PKR @ 2549'.
 Place 250 psi on Backside. RU BJ. Drop 6 balls Ahead. Run 250 gals 10% Acetic Acid and Total of 50 - 1.3 SG 7/8"
 RCN Balls. Displace. Saw Distinct Breakdown of upper holes at 2600 psi. Ball-Off Perfs
 to 4000 psi. Bleed off. Pump at 2 BPM @ 1200 psi. ISIP 250 psi. ND BJ Services.
 Release PKR. GIH w/ 2 Stands & PU 2 Jts. Knock Balls past all Perfs. Stand Back 3 Stands. Set PKR @ 2549'.

SEE ATTACHED PAGES

14. I hereby certify that the foregoing is true and correct

Signed: Thomas E. Mullins

Title: Engineering Manager

Date: 1-28-2002

This space for federal or state office use

Approved by: _____
 Conditions of approval if any

Title: _____

ACCEPTED FOR RECORD

Date: JAN 31 2002

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction

CARSON 29-4 28 # 1 (CONTINUED)
01-28-2002

- 08-16-2000 CONTINUED Remove Tubing Collar. Install 2-9/16" 5000# Gate Valve. NU Flow Tee. Cut & Thread Pipe and Adjust Manifold for Flowback Assembly. Adjust Iron to fit. Remove Iron, & Leave Box End of Valve for BJ Services to NU to. Secure the well location for the night.
- 08-17-2000 Rig Crew Arrive. Rig Up BJ Services. Transfer Water between Tanks. Roll one sack 50 lbs gel, and 12 gals Flowback-20 into Tank # 215, Total 260 bbls Useable RU 3" 1502 Iron, Blender, 1 Kodiak Liq Pump, 1 - AirCo High Rate Nitrogen Pump. Sand in 30K Covered Dump
Pressure Test BJ lines to 5000 psi. Good Test.
Frac Nacimiento Perforations From 2602' to 2609' and 2714' to 2741' (32 holes total) With 128 bbls Fluid & 198,000 SCF Nitrogen @ 20 BPM Total Rate, 5 BPM Liquid Rate, 7100 SCFM Nitrogen, Running 0.5 ppg @ the Blender (As slow as possible) or 0.125 ppg Downhole Concentration. Run 2,160 lbs 20/40 Super DC Resin Coated Sand. Run Sand Until Densimeter Reached Zero ppg. Flush With Foam. ATP of 2800 psi, Max 2900 psi ISIP 2000 psi, 5 Min 1500 psi.
ND BJ Services. NU Flowback Assembly. Pressure Test Lines with Well Pressure. Repair Leaks & Tighten Connections. 1200 hrs, Shut-In Pressure @ 1000 psi. Open on 1/4" Line. Returning Foamy Water and Nitrogen.
Flowback Nacimiento Zone on 1/4" Choke from 1000 psi down to 60 psi. Surging Foamy Open Well onto 1/2" Positive Choke. Well Pressure built from 60 psi to 100 psi, unloading Foamy Water and Nitrogen. Well Bleeding Down. Pressure Falling From 100 psi down to 10 psi on 1/2" Choke. Heavy Mist.
Open Well onto Open 2" Flowline. Well Pressure down to 5 psi. Unloading Fluid in Slugs. Followed by Nitrogen Mist. Well Logging Off. Leave Well Open to Pit Overnight. Estimated Total Fluid Recovery at 150 bbls. This should be entire Acid and Frac Load. Water still has Foamer in it. No indications of Gas or Produced Water So Far. Return in the Morning.
- 08-18-2000 Supervisor Arrive on Location. Check Well for Flow Status.
Well Logged Off. No Flow. Flowback Pit increased approximately 20 bbls Overnight. Estimated Total Fluid Recovery 170 bbls. Shut Well In @ 10:15 Hrs.
Plan to Move on to Next Zone (San Jose).
- 08-19-2000 Rig Crew and Supervisor Arrive on Location. Shut-In Tubing Pressure 240 psi from Nacimiento. Warm up Rig Engine, Open Well on 2" line. Bled down to zero, with no blow in 1 minute. Well Dead.
ND Flowback Assembly. ND 2-9/16" Frac Valve. Release Packer.
COOH Laying Down 26 Joints of 2-7/8", Total of 31 Jts Out.
COOH Standing Back 32 Stands of 2-7/8" J-55 Tubing
ND Stripping Head. RU Basin Perforators w/ Pack-Off.
RIH w/ 5-1/2" Owen CIBP. Set CIBP @ 2500', Covering Nacimiento Perforations. FL @ 1200' Load Hole from Surface with water. Pressure Test CIBP & entire Casing String to 500 psi. Good Test. No Bleed Off. Basin Perforators, Mix Cement for Dump Bail Run.
RIH w/ 3-1/2" Dump Bailer. Dump Bail 2 sxs of Cement on top of CIBP @ 2500'. POOH.

RIH w/ 3-1/8" HSC Perforating gun. Perforate San Jose Formation with 2 SPF in One Gun Run. Load Hole and Place 500 psi on well prior to firing gun. Left Pressure on well for 2nd interval, neither indicated to be broken down. Perforations from 1922' to 1928' (6' - 12 holes), & 1906' to 1912' (6' - 12 holes). POOH with gun. Shots Correlated to HES GR-CBL 10-25-95 PU & Run PKR. Set Packer at 1828'.

NU to pump down tubing and BD perforations with the Rig Pump (BJ Unavailable). Break down San Jose Perforations with water at 1000 psi. Establish a rate of 1.5 BPM @ 1000 psi SD. ISIP Zero.
ND Iron, Release Packer. PU Tubing Hanger. ND Stripping Head, Land Hanger.
ND BOPE, PU Hanger. Set Packer in 8,000# Compression @ 1828'.
Load Annulus and Test to 200 psi, Okay. Install Secondary Seal

Sleeve inside Hanger. Install 3000# Bonnet, with drifted nipple, and 5000# 2-9/16" Gate Valve. Wellhead capable of 5000# Frac Pressure Rating. Place 200 psi on Annulus. Close Valve and hold pressure on casing.

Pump Remaining Fluid in Rig Pit into Frac Tank # 216. Begin RD of Unit.
RD Key Rig # 30.

- 08-27-2000 SITP on San Jose is Zero psi. MIRU BJ Services Nitrogen Foam Frac Crew. Repair PTO for Deck Engine on Single Frac Pump. Called Yard for 2nd Pump. Safety Meeting with All Personnel. 9 - BJ Services, 1 - Synergy
PT BJ Frac Lines to Synergy WH Valve to 6500 psi. Note Over Max of 5000#. Okay. Open Wellhead. Break Down San Jose Perforations on Water, several good breaks. Establish rate of 11.3 BPM @ 1450 psi. ISIP Zero.
Fracture Stimulate San Jose Perforations From 1906' to 1928' with 2,040 lbs of 20/40 Super DC Resin Coated proppant in a total of 165 bbls 5# Gel and 174,000 SCF Nitrogen Pump Liquid @ 5 BPM and Nitrogen at 6,000 SCFM. Total rate of 20 BPM at 75 Quality Nitrogen Foam. Run Sand at 0.1 ppg downhole. Flush with 8 bbls Liquid & Nitrogen. ISIP = 1000 psi, 5 Min = 770 psi. Total Foam 25,242 gallons
RD BJ Services From Wellhead. NU Flowback Tee and Flow Hose. Pressure Test Hose and Flowback to Wellhead Pressure. Open Well on 1/4" Choke to Flowback Pit. Pressure Drop to 330 psi on 1/4" Choke. Foam & Nitrogen Returns.
Flowback San Jose on 1/4" Choke. Pressure Falling from 330 psi to 65 psi. Change to 1/2" Choke, Flowback San Jose on 1/2" Choke Pressure Falling From 65 psi to 8 psi. Well Flowing Light Nitrogen Mist. Possible Gas Smell. Estimated 120 bbls returns.
- 08-28-2000 SITP = 160 psi. Obtain Gas Sample from Flowback Manifold. Well Shut-in 22 hours. Open Well to the Pit on 1/4" Choke, Pressure Slowly Bled Down to Zero psi. No Pressure in 10 minutes. Leave Well Open to the Pit on 1/4" Choke.
- 09-04-2000 MIRU Swab Rig from Farmington. RU to Swab 2-7/8" Tubing
SITP = 30 psi. Opened Tubing, No Flow.
RIH w/ swab cups, Tag FL @ 1250', Pull from 1600', Recover 2 bbls to Flowback Pit
Run # 2, FL @ 1250', Pull from SN @ 1828' (Same as PKR +/-), Recover 3 bbls to Pit
Run # 3, FL @ 800', Pull from SN, Recover 3.5 bbls to Pit
Run # 4, Attempt to GIH, Got down to 400', Well wanted to Flow to Pit. Flow Well for 30 minutes at 3 psi on 2" line, Recovery is soapy/Foamy Water.
Run # 5 through Run # 8, Pull from SN, Recover 50/50 mix of Foamy Water, Slight Blow of gas on each run. Run # 7 & Run # 8 were 100% water
Run # 9, RIH to SN, NEW SWAB CUPS on this run. Hit a tight spot @ 1100'+/- and parted swab line. Dropped 400' of line and Swab tools down the well.
Total Estimated Fluid Swabbed is 18.8 bbls
- 09-05-2000 Tbg Pressure 90 psi.
RIH w/ single spear. Tag fish @ 1370', Work Spear. Came out with small pieces of line.
Run # 2, Same as Run # 1
Run # 3, Put on Double Spear. RIH, Engage Fish, Pull 5,000#, No Good. POOH, Recover small pieces of line.
Run # 4, Same as # 3
Run # 5, Could not engage line. Fish down on top of SN. RD RELEASE SWAB RIG
- 09-21-2000 RU Key # 17. Spot Unit and BOPE.
Raise Derrick, ND WH. SICP = zero, SITP = zero. NU BOPE. RU Floor
Release Lockset Production Packer, Pull Hanger. Install TIW Valve. SDFN.
- 09-22-2000 SICP=SITP = zero. COOH with 30 stands of 2-7/8" tubing. Strip out sinker bars, jars, & Swabbing Tools, located in the SN above the PKR. Tallied all Pipe out of the hole
GIH with production 2-7/8" tubing as follows: 1 jt, OE for mud anchor, perf sub, SN, and 68 joints 2-7/8" Tubing. Land Tubing at 2101.81' (69 jts total)
ND BOPE. NU WH. X-O to run 7/8" rods. PU Energy Pump (2-1/2"x1-1/4"x14'x18" RHAC-2)
Run in the hole on 81 - 7/8" rods. Space out pump. Hang on Horse Head.
Check pump Action. RD RELEASE RIG.
- 09-23-2000 Rod pump San Jose Formation. Recover 160 bbls water per day. No gas. Take H2O sample.

WELL IS INACTIVE. EVALUATE FOR FURTHER PLANS.