

(See other instructions on reverse side)

OMB NO. 1004-0137

Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------|--|---------------------------------------------------------------------------|--|
| 1a. TYPE OF WORK<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> Other <input type="checkbox"/>                                                                                                                                                                                                                                                 |  | 1b. TYPE OF WELL<br>NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESER. <input type="checkbox"/> Other <input type="checkbox"/> |  | 2. NAME OF OPERATOR<br>Synergy Operating, LLC  |  | OGRID # 163458                                                            |  |
| 3. ADDRESS AND TELEPHONE NO.<br>PO Box 5513, Farmington, NM 87499 (505) 325-5449                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  | 5. LEASE DESIGNATION AND SERIAL NO.<br>NMNM-013885                        |  |
| 4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*<br>At Surface Unit Letter J, 1540' FSL, 1325' FEL, Sec 24, T-29N, R-12W<br>At top prod. Interval reported below<br>At total depth                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                      |  |
| 14. PERMIT NO. DATE ISSUED                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                             |  |                                                |  | 7. UNIT AGREEMENT NAME                                                    |  |
| 15. DATE SPUDDED 05-22-05 16. DATE T.D. REACHED 05-28-05 17. DATE COMPL. (Ready to prod.) 06-23-05 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5634' GL 19. ELEV. CASINGHEAD 5635'                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                             |  |                                                |  | 8. FARM OR LEASE NAME, WELL NO.<br>Crawford 29-12-24 # 102                |  |
| 20. TOTAL DEPTH, MD & TVD 1850' MD 1850' TVD 21. PLUG BACK T.D., MD & TVD 1816' MD 1816' TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY D&D Rig # 1 24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*<br>Basin Fruitland Coal 1674'-1682', 1660'-1666', 1640'-1650', 1630'-1638', 1564'-1573', 1543'-1547', 1508'-1510', 1484'-1487' |  |                                                                                                                                                                                                                                             |  |                                                |  | 9. API WELL NO.<br>30-045-32861                                           |  |
| 25. WAS DIRECTIONAL SURVEY MADE<br>Yes                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                             |  |                                                |  | 10. FIELD AND POOL OR WILDCAT<br>Basin Fruitland Coal                     |  |
| 26. TYPE ELECTRIC AND OTHER LOGS RUN<br>Openhole GR-Neutron-Density, Cased Hole GR-CCL                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                             |  |                                                |  | 11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA<br>SEC 24, T-29N, R-12W |  |
| 27. WAS WELL CORED<br>No                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                             |  |                                                |  | 12. COUNTY OR PARISH<br>San Juan                                          |  |
| 28. STATE<br>New Mexico                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| 23. CASING RECORD (Report all strings set in well)                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| CASING SIZE/GRADE                                                                                                                                                                                                                                                                                                                                                                 |  | WEIGHT, LB./FT.                                                                                                                                                                                                                             |  | DEPTH SET (MD)                                 |  | HOLE SIZE                                                                 |  |
| 8-5/8" J-55 ST&C                                                                                                                                                                                                                                                                                                                                                                  |  | 24#                                                                                                                                                                                                                                         |  | 361'                                           |  | 12-1/4"                                                                   |  |
| 5-1/2" J-55 LT&C                                                                                                                                                                                                                                                                                                                                                                  |  | 15.5#                                                                                                                                                                                                                                       |  | 1848'                                          |  | 7-7/8"                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | TOP OF CEMENT, CEMENTING RECORD                                           |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | 235 sxs, 334 ft3                                                          |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | 250 sxs, 461.5 ft3                                                        |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | AMOUNT PULLED                                                             |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | circulated                                                                |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | circ 10 bbls                                                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | cement                                                                    |  |
| 29. LINER RECORD                                                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| SIZE                                                                                                                                                                                                                                                                                                                                                                              |  | TOP (MD)                                                                                                                                                                                                                                    |  | BOTTOM (MD)                                    |  | SACKS CEMENT*                                                             |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | SCREEN (MD)                                                               |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | SIZE                                                                      |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | DEPTH SET (MD)                                                            |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | PACKER SET (MD)                                                           |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | 2-3/8"                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | 1748'                                                                     |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | None                                                                      |  |
| 30. TUBING RECORD                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| 31. PERFORATION RECORD (Interval, size and number)                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                             |  | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. |  |                                                                           |  |
| INTERVAL                                                                                                                                                                                                                                                                                                                                                                          |  | SIZE                                                                                                                                                                                                                                        |  | NUMBER                                         |  | DEPTH INTERVAL (MD)                                                       |  |
| 1ST- 1674' - 1682' (8'),                                                                                                                                                                                                                                                                                                                                                          |  | 0.34"                                                                                                                                                                                                                                       |  | 56                                             |  | 1660' - 1682'                                                             |  |
| 1660'-1666' (6')                                                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  | 500 gals 7.5% HCl, 40K 20/40 Brady                                        |  |
| 2ND - 1640'-1650' (10'),                                                                                                                                                                                                                                                                                                                                                          |  | 0.34"                                                                                                                                                                                                                                       |  | 72                                             |  | 16,212 gals 20# X-link Gel                                                |  |
| 1630'-1638' (8')                                                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  | 500 gals 7.5% HCl, 40K 20/40 Brady                                        |  |
| 3RD - 1564'-1573' (9'), 1543'-1547' (4)                                                                                                                                                                                                                                                                                                                                           |  | 0.34"                                                                                                                                                                                                                                       |  | 54                                             |  | 15,540 gals 20# X-link Gel                                                |  |
| 1508'-1510' (2'), 1484'-1487' (3')                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                             |  |                                                |  | 500 gals 7.5% HCl, 40K 20/40 Brady                                        |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | 16,506 gals 20# X-link Gel                                                |  |
| 33.* PRODUCTION                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| DATE FIRST PRODUCTION<br>04-08-05                                                                                                                                                                                                                                                                                                                                                 |  | PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)<br>Pumping                                                                                                                                                            |  |                                                |  | WELL STATUS (Producing or shut-in)<br>Shut-In                             |  |
| DATE OF TEST<br>06-23-2005                                                                                                                                                                                                                                                                                                                                                        |  | HOURS TESTED<br>1                                                                                                                                                                                                                           |  | CHOKE SIZE<br>N/A                              |  | PROD'N. FOR TEST PERIOD<br>0                                              |  |
| FLOW. TUBING PRESS.<br>N/A                                                                                                                                                                                                                                                                                                                                                        |  | CASING PRESSURE<br>100 #                                                                                                                                                                                                                    |  | CALCULATED 24-HOUR RATE<br>0                   |  | GAS-MCF.<br>TSTM                                                          |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | WATER-BBL.<br>N/A                                                         |  |
|                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                             |  |                                                |  | OIL GRAVITY-API (CORR.)<br>n/a                                            |  |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)<br>Sold EPFS Meter # to be determined                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                             |  |                                                |  |                                                                           |  |
| 35. LIST OF ATTACHMENTS<br>Directional Survey, OH Logs, Cased Hole Logs                                                                                                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                             |  |                                                |  | JUL 05 2005                                                               |  |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                             |  |                                                |  | FARMINGTON FIELD OFFICE                                                   |  |
| SIGNED                                                                                                                                                                                                                                                                                                                                                                            |  | TITLE<br>Engineering Manager                                                                                                                                                                                                                |  |                                                |  | DATE<br>6/27/2005                                                         |  |

\*(See Instructions and Spaces for Additional Data on Reverse Side)

| 37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries); | 38. GEOLOGIC MARKERS |     |        |                             |                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----|--------|-----------------------------|---------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                     | FORMATION            | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | <div> <div>NAME</div> <div>MEAS. DEPTH</div> <div>TRUE VERT. DEPTH</div> </div> |
| Nacimientos                                                                                                                                                                                                                                         | Surface              |     |        |                             | Surface                                                                         |
| Ojo Almo                                                                                                                                                                                                                                            | 218'                 |     |        |                             | 218'                                                                            |
| Kirtland                                                                                                                                                                                                                                            | 561'                 |     |        |                             | 561'                                                                            |
| Fruitland                                                                                                                                                                                                                                           | 1376'                |     |        |                             | 1376'                                                                           |
| Pictured Cliff                                                                                                                                                                                                                                      | 1687'                |     |        |                             | 1687'                                                                           |
| Total Depth                                                                                                                                                                                                                                         | 1850'                |     |        |                             | 1850'                                                                           |

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