

\*Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-045-10894
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name A. Gross
8. Well Number # 1
9. OGRID Number 163458
10. Pool name or Wildcat Basin Dakota

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Synergy Operating, LLC	
PO Box 5513 Farmington, NM 87499 (505-325-5449)	
4. Well Location Unit Letter <u>K</u> : <u>1650'</u> feet from the <u>South</u> line and <u>1850'</u> feet from the <u>West</u> line Section <u>9</u> Township <u>31N</u> Range <u>13W</u> NMPM County: <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>Reserve-Lined</u> Depth to Groundwater <u>&gt; 100</u> Distance from nearest fresh water well <u>&gt; 1000'</u> Distance from nearest surface water <u>&gt; 1000'</u>	
Pit Liner Thickness: <u>12+</u> mil Below-Grade Tank: Volume <u>        </u> bbls; Construction Material <u>        </u>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SYNERGY HAS PERFORMED THE FOLLOWING WORK ON THE SUBJECT WELL FROM THE DATES OF

5/24/06 TO 6/7/06

Top of cement on 2-7/8" is at 660' from temperature survey run 6/3/06

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Thomas E. Mullins TITLE Engineering Manager DATE 09-11-2006  
Type or print name: Thomas E. Mullins E-mail address: tom.mullins@synergyoperating.com Telephone No. (505) 320-1751

For State Use Only

APPROVED BY: DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE SEP 11 2006  
Conditions of Approval (if any):

SUMMARY OF WORK PERFORMED BY SYNERGY OPERATING, LLC

A. GROSS # 1 WELL

- 5/24/2006 Road Rig to location. MIRU Basic Energy Well Svc Rig #1229, set pump, pit, spot tubing trailer. ND WH, NU BOPE. MU 4-3/4" bit & bit-sub, TIH picking up 2-7/8" tubing to 1230', incomplete. Secure well & SION.
- 5/25/2006 Cont. TIH picking up 2-7/8" tbg & tag fill @ 6495'. RU power swivel. CO fill F/6495' - T/6574' (Top of 2-3/8" cut-off above packer). Circ hole clean. LD power swivel. PUH to 5924'. Secure well & SION.
- 5/26/2006 TOOH w/ 2-7/8" tbg & tag fill @ 6495'. MU fishing tools on 6 - 3-1/2" DC's & TIH on 2-7/8" tbg. RU power swivel, engage fish/pkr, attempt to jar free, after several hours dragged fish/pkr uphole. PUH to 3580'. SION.
- 5/27/2006 Cont. TOOH w/ 2-7/8" tbg, fishing tools/BHA & fish/pkr. LD fishing tools & fish. (Recovered 53' of 2-3/8" tbg, Model 'R' packer, plunger lift bumper spring wedged against packer mandrel, 1-Jt 2-3/8" tbg as tailpipe under the packer). SION.
- 5/30/2006 TIH w/ 4-3/4" bit on 2-7/8" tbg & CO fill F/6794' - T/6884'. TOOH w/ 2-7/8" tbg & LD 4-3/4" bit. SION.
- 5/31/2006 TIH w/ Baker Model ADL packer w/ plug on 2-7/8" tbg & land @ 6501' in tubing hanger (202 Jts), ND BOPE, NU WH. Establish circulation down 2-7/8" tbg & up 2-7/8" x 5-1/2" annulus. SI well. RD Basic Energy Rig #1229.
- 6/2/2006 SM. RU BJ Services Cementers. NMOCD witnessing cement job. Pump 10 bbls Mud Clean, 5 bbls water, 90 bbls 505.35 ft3 (2.95 yield) 11.0 ppg cement Lead slurry, Tail w/ 12 bbls 67.38 ft3 (1.38 Yield) 14.6 ppg cement Tail slurry, drop wiper plug, clean pump & line, displace cement w/ 37.5 bbls water, 850# lift pressure. Plug down at 12:57 hrs. 202 Jts - 2-7/8" 6.5# J-55 Casing cemented at 6500'. Good circulation throughout. No Cement to surface. Will run Temp Survey after 8 hrs to determine TOC.
- 6/3/2006 Ran Temperature Survey, found top of cement on 2-7/8" tubing @ 660'. Submit Temp Survey to NMOCD.
- 6/3/2006 - Wilson Survey. Temp Survey TOC @ 660' inside 2-7/8" x 5-1/2" Annulus. PBTD of 6400' GL
- 6/6/2006 MIRU SanJel Coil Unit. SM. Make-up 2-1/4" Bit on 1.25" Coiled tubing. Use Basic Rig Pump to circulate water. Spool in the hole. Tag @ 6328'. Drill 55' cement to 6383'. Tag Wiper Plug. Drill Wiper Plug and cement to 6407'. Not torqueing, Not progressing. Spool out of the hole. Inspect bit and motor. SDFN.
- 6/7/2006 MU same 2-1/4" bit with new motor on 1-1/4" coiled tubing and GIH on coiled tubing. Tag @ 6383'. Drill out wiper plug and cement from 6383' to 6407'. Fall through, lose circulation. Proceed in with coil to 6600'. COOH. PBTD is 6884'. Break out tools. Clear coil of water with air. Rig Down and Release SanJel Coil Unit and Knight Oil Tools.

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