



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
APD Rescind

August 11, 2010

RCVD AUG 16 '10
OIL CONS. DIV.
DIST. 3

Synergy Operating, LLC
Attn.: Thomas Mullins
P.O. Box 5513
Farmington, NM 87499

Dear Mr. Mullins:

Reference is made to your Application for Permit to Drill (APD) for the following wells:

Caleb Mesa SWD #1, located **2080' FSL and 1750' FEL, Section 07, T21N, R07W, Sandoval County, New Mexico**. This APD was extended on June 27, 2008 with an expiration date of December 17, 2009. According to our records, no known activity has taken place at this location. 30-043-21055

San Juan 29-5 Unit Com #92, located **1655' FNL and 1405' FEL, Section 23, T29N, R05W, Rio Arriba County, New Mexico**. This APD was approved on November 16, 2007 with an expiration date of November 16, 2009. According to our records, no known activity has taken place at this location. 30-039-30395

Synergy 21-7-18 #147, located **875' FNL and 700' FEL, Section 18, T21N, R07W, Sandoval County, New Mexico**. This APD was approved on August 31, 2007 with an expiration date of August 31, 2009. According to our records, no known activity has taken place at this location. 30-043-21052

BartRiley FC #1, located **875' FNL and 835' FEL, Section 10, T26N, R12W, San Juan County, New Mexico**. This APD was extended on May 7, 2008 with an expiration date of May 31, 2010. According to our records, no known activity has taken place at this location. 30-045-33660

BartRiley FC #2, located **1950' FNL and 740' FEL, Section 10, T26N, R12W, San Juan County, New Mexico**. This APD was extended on May 7, 2009 with an expiration date of May 31, 2010. According to our records, no known activity has taken place at this location. 30-045-33661

Synergy 21-7-5 #141, located **1645' FNL and 995' FEL, Section 5, T21N, R07W, Sandoval County, New Mexico**. This APD was extended on May 10, 2007 with an expiration date of August 18, 2009. According to our records, no known activity has taken place at this location. 30-043-21035

Synergy 21-7-8 #137, located **1520' FNL and 1375' FEL, Section 8, T21N, R07W, Sandoval County, New Mexico**. This APD was extended on September 21, 2009 with an expiration date of July 24, 2010. According to our records, no known activity has taken place at this location. 30-043-21031

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White 29-11-19 #107, located **1980' FSL and 1660' FEL, Section 19, T29N, R11W, San Juan County, New Mexico**. This APD was extended on January 27, 2008 with an expiration date of March 22, 2010. According to our records, no known activity has taken place at this location. 30-045-33475

Synergy 21-7-18 #138, located **1135' FSL and 1820' FEL, Section 8, T21N, R07W, Sandoval County, New Mexico**. This APD was extended on September 17, 2009 with an expiration date of July 24, 2010. According to our records, no known activity has taken place at this location. 30-043-21033

Synergy 21-7-16 #140, located **1565' FNL and 1825' FEL, Section 6, T21N, R07W, Sandoval County, New Mexico**. This APD was extended on May 10, 2007 with an expiration date of October 12, 2009. According to our records, no known activity has taken place at this location. 30-043-21040

In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at the well sites. Please file letter within 30 days of receipt of this notice. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Jim Lovato at (505) 599-6367

Sincerely,

/s/ Tel Baird

Tel Baird
Petroleum Engineering Asst.

Petroleum Management Team

cc: NMOCD ✓