

136544894

NSL
AMEND

1/7/02



PO Box 5513
Farmington, NM 87499
(505) 325-5449
Fax (505) 325-6585

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery
1220 South St. Francis Drive
Santa Fe, NM 87505

December 17, 2001

DEC 18 2001

RE: Bois d' Arc Offshore, Ltd.
Bois d' Arc Encino 15 # 1
Unit A, Section 15, T20N, R05W
McKinley County, NM
Dakota and Mesaverde
Amended NSL-4648
Approval Request

Dear Ms. Wrotenbery

Synergy Operating, LLC, as agent for Bois d' Arc Offshore, Ltd., is requesting Administrative Approval of the Non-Standard Location as drilled for the subject well. During drilling operations, significant hole deviation was encountered. Synergy surveyed the hole with a MWD tool and submits the attached survey information for an amended bottom-hole location approval.

The surface location is located at 250' FNL, 920' FEL, Section 15, T20N, R05W, McKinley County, NM. The bottom-hole location at 5298' MD, 5288' TVD, is 151' FNL, 736' FEL, Section 15, T20N, R05W, McKinley County, NM.

As mentioned in our original NSL application, Bois d' Arc Offshore, Ltd., et al, is the holder of all the adjacent mineral leases to the subject NE/4 (160 Acres) of Section 15. Please reference the attached lease map.

The reason for this amended NSL application is the unanticipated deviation encountered during drilling operations. We appreciate the Division's timely approval of our request so that we can begin completion operations.

I can be reached at (505) 566-3725 or by facsimile at (505) 325-6585.

Warm regards,

A handwritten signature in black ink, appearing to read "T. E. Mullins", is written over a horizontal line.

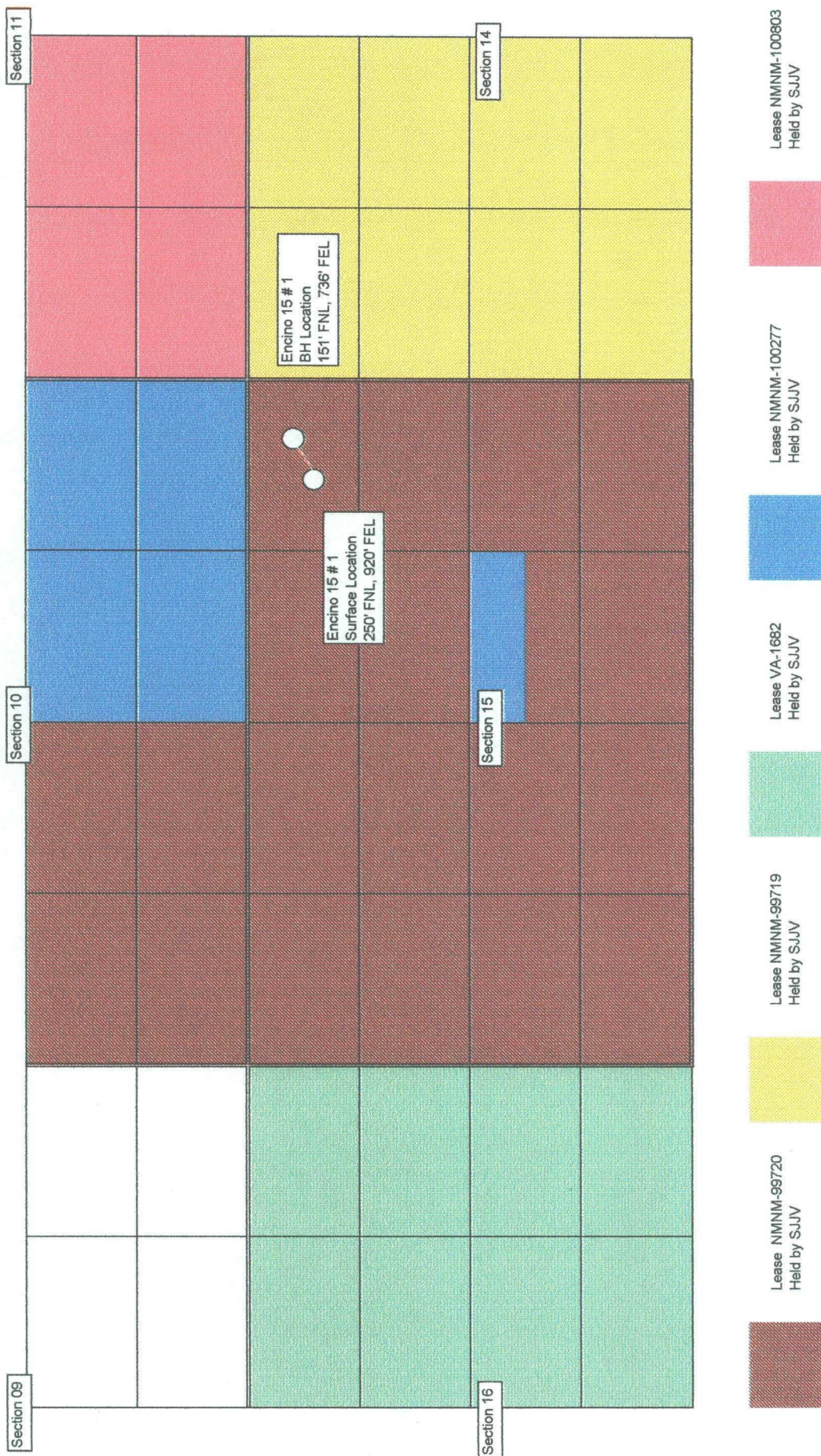
Thomas E. Mullins
Engineering Manager

cc: NMOCDD - Aztec
US BLM - Farmington
Bois d' Arc Offshore

**Synergy Operating, LLC
Boisd Arc Offshore Limited
Boisd Arc Encino 15 # 1
Unit A, Section 15, T20NR05W
McKinley County, New Mexico**

Surface Location:
250' FNL, 920' FEL, Sec 15
New Bottomhole Location:
151' FNL, 736' FEL, Sec 15

Ammended NSL filing request



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 (agent for Bois d' Arc Offshore, Ltd.)

3. Address and Telephone No.

PO Box 5513 (505) 325-5449 OGRID # 163458
Farmington, NM 87499

4. Location of Well (Footage, Sec, T, R., M, or Survey Description)

Unit Letter A, 250' FNL, 920' FEL, Sec 15, T20N-R05W

5. Lease Designation and Serial No.

NMMN-99720

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Bois d' Arc Encino 15 # 1

9. API Well No.

30-031-21008

10. Field and Pool, or Exploratory

WC20N05W15A
Undesignated Dakota

11. County or Parish, State

McKinley, New Mexico

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ 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

Please see the attached pertinent information regarding the Bois d' Arc Encino 15 # 1
Direction and Deviation Surveys are attached.

11/18/2001 Drilling Operations of the 7-7/8" hole began with Aztec Rig # 507 on Sunday, November 18th, 2001.
11/30/2001 TD of 5296' KB. was reached on Sunday, November 30, 2001 at 14:30 hrs.
Schlumberger ran openhole logs from 5299' (Drillers TD) to 614'. Logs include GR-IND, Neu-Density, & Microlog.
Openhole logs requested to be confidential.
12/02/2001 Run 119 Jts of 5-1/2" 15.5# J-55 ST&C Production Casing. Casing Shoe at 5289', Float Collar at 5243',
Stage Tool at 3024'. 35 Centralizers, 2 Turbolizers, & 1 Cement Basket on the casing string.
Cemented in 2 Stages. Details on attached Sheet.
Rig released at 22:45 hrs - 12/02/2001

FINAL BOTTOM HOLE LOCATION 99 feet to the North and 184 feet to the East of the surface Location.
or

151' FNL, 736' FEL, Unit A, Section 15, T20N, R05W - McKinley County, New Mexico

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

Signed:

Thomas E. Mullins

Title: Engineering Manager

Date: 12-05-2001

This space for federal or state office use

Approved by:

Title:

Date:

Conditions of approval if any

Synergy Operating, LLC
Bois D' Arc Encino 15 # 1 (API # 30-031021008)
WC20N05W15A Dakota
Drilling Phase

- 11/18/01 MiRU Aztec # 507. Test 8-5/8" Casing to 1000 psi. GIH w/ 7-7/8" Hughes GT-09C Bit. Tag Shoe. Survey @ 235' - 7 degs Resurvey @ 235' - Same 7 degs. Drill Shoe. Drill new hole from 241' to 410', in 10' intervals circulating cuttings to Catch Fruitland Coal. One Can Taken, very little coal. Continue drilling ahead 85 RPM 10K WOB, trying to straighten hole. Drilling at 836' at report time.
- 11/19/01 Continue Drilling ahead with 10K WOB & 85 RPM. Survey hole at 992' - 6 degrees, 1244' - 3.75 degrees Begin TOO H to PU Directional Tools. SD for Rig Repairs.
- 11/20/01 Finish Rig Repairs. COOH. Laying down remaining Drill Collars. PU and MU Directional Tools. GIH with tools and survey existing hole with MWD equipment. Trouble getting initial readings near surface casing. Take survey readings. Current Hole direction is on an azimuth of approximately 70 degrees. The Surface Casing appears to be set at a 11 degree deviation. Consult with Geological and Geophysical expertise on current hole location. Current hole position is acceptable. Drilling ahead with directional tools rotating at 45 RPM surface, with 10K WOB, Surface Pump pressure 1200#. Drilling ahead at 1887'.
- 11/21/01 Finish Drilling New Hole with Baker INTEQ Directional Tools to 2013'. COOH laying down pipe (Rig is not able to standback pipe). Attempt to take survey 107' below surface casing. No good readings. COOH laying down Baker Directional Tools. PU New Bit # 2, 7-7/8" Hughes Christensen GT-09C. Strap Drillstring GIH to 2013'. No fill or drag. Drilling ahead with Conventional BHA to 2486' at report time. (599' today).
- 11/22/01 Drilling ahead at 3190'.
- 11/23/01 Drilling ahead at 3480'.
- 11/24/01 Drilling ahead at 4075'. Lost circulation at 3975'. 100 bbls.
- 11/25/01 Drilling ahead at 4287'. Lost circulation at 4155'. 120 bbls. Rig Repairs.
- 11/26/01 Drilling ahead at 4631'. Bit Trip at 4631'.
- 11/27/01 Drilling ahead at 4750'.
- 11/28/01 Drilling ahead at 4974'.
- 11/29/01 Rig Repairs. Drilling ahead at 5166'.
- 11/30/01 Drill to TD at 5298'. Circulate, Final Survey, COOH. RU Schlumberger. Run Logs.
- 12/1/01 Attempt to Run Cement Bond Log without success. Run 5-1/2" Production Casing to TD 5298'. Attempt to circulate hole with Mud. Lose 800 bbls mud with > 15% LCM. No indication of circulation.
- 12/2/01 BJ Services Cement First Stage of 5-1/2" Production Casing. Test Lines 3000#
Mix & Pump 20 bbls Mud Clean 2, 10 bbls Water, 70 bbls Cement, SD Drop Plug, 60 bbls H2O & 67 bbls Mud Displacement. Bump Plug to 1350#. Bleed Back 2.5 bbls not holding. Pump 2 bbls Bump Plug to 1500#. Hold Pressure 5 mins. Bleed back to 500#. Leave pressure Casing.
Cement Detail (194 sxs, 70 bbls, 394 ft³, 12.5 ppg, 2.03 ft³/sx yield) Premium Lite High Strength FM Additives +3% KCl+0.25#/sx CelloFlake+5 lbs/sx LCM-1+0.7%bwoc FL-52+0.3% bwoc CD-32
No Circulation throughout Job. Final Lift Pressure of 370 psi. Expect Coverage of Dakota to the Base of Gallup.
Check Cmt performance. WOC. Check Pressure, raised to 800#. Bleed to Zero. Plug holding.
Drop Opening Tool Bomb. Wait 35 mins. Open tool with 400# pressure. SD Swap to rig pump Start pumping at 3 BPM, 250#. Catch pressure after 35 bbls mud, Circulation at 40 bbls Circulate and condition Mud from 3024' to surface. Monitor returns. Mud has 3 % LCM 60 cp, 8.8 ppg. Good mud returns.
Safety Meeting w/ all personnel, review Stage # 2 job. Test lines. Mix & Pump 20 bbls Mud Clean 2, 10 bbls water, 110 bbls Lead, 15 bbls Tail, SD Drop Plug, 72 bbls Water Displacement. Good Circ until 85 bbls pumped then partial returns to zero returns, Rate between 1 to 3 bpm.
Bump Plug to 1600#. Bleed Off. Plug holding. Cement appeared to be on a vacuum.
Suspect Cement placement downhole from Pt. Lookout to Gallup Interval.
Attempted to hesitate cement, but unsuccessful. Cut Cement Volume Short due to LC
Lead Cement Detail (295 sxs, 110 bbls, 617 ft³, 12.1 ppg, 2.09 ft³/sx yield) Premium Lite FM Additives +1%CaCl+0.25#/sx CelloFlake+5 lbs/sx LCM-1+8%bwoc bentonite. PD @ 17:05 hrs
Will Run Cement Bond Log from PBTD to Surface to check Cement Quality.

Survey Report

MIN. CURVATURE CALCULATIONS (SPE-3362)

OPERATOR: Synergy Operating, LLC
WELL: Bois D' Arc Encino 15 #1
LOCATION: Mckinley Co. N.M.

START: 11/19/01
FINISH: 12/1/01

PROPOSED DIREC	0.00
Magnetic to True:	10.8

STATIONSURVEY	VERT.	DLS/
NUMBER DEPTH	SECTION	100
TIE IN 0	0.00	0.00
1 499	11.1	67.4
2 655	9.8	65.6
3 811	8.0	67.7
4 968	5.6	69.0
5 1125	4.1	65.3
6 1283	2.7	70.8
7 1352	2.1	70.3
8 1406	2.0	69.4
9 1500	2.4	67.7
10 1532	2.0	74.0
11 1594	2.4	69.6
12 1686	0.9	50.0
13 1778	1.0	57.0
14 1872	0.9	49.0
15 1967	0.8	45.4
16 2467	0.5	45.0
17 2983	0.8	45.0
18 3480	0.8	45.0
19 3977	0.8	45.0
20 4475	1.5	45.0
21 4975	1.0	45.0
22 5298	1.0	45.0

175-2001

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item	Footage	Cumulative Footage	Top Depth	Btm Depth		
Shoe	0.75	0.75	5,288.46	5,289.21		
1	44.40	45.15	5,244.06	5,244.81		
Float Collar	0.60	45.75	5,243.45	5,244.20		
2	44.38	90.13	5,199.07	5,199.82	Centralizer	1
3	44.48	134.61	5,154.59	5,155.34		
4	44.38	178.99	5,110.21	5,110.96	Centralizer	2
5	44.32	223.31	5,065.89	5,066.64		
6	44.42	267.73	5,021.47	5,022.22	Centralizer	3
7	44.40	312.13	4,977.07	4,977.82		
8	44.32	356.45	4,932.75	4,933.50	Centralizer	4
9	44.40	400.85	4,888.35	4,889.10		
10	44.32	445.17	4,844.03	4,844.78		
11	44.34	489.51	4,799.69	4,800.44		
12	44.32	533.83	4,755.37	4,756.12	Centralizer	5
13	44.33	578.16	4,711.04	4,711.79		
14	44.36	622.52	4,666.68	4,667.43		
15	44.32	666.84	4,622.36	4,623.11		
16	44.28	711.12	4,578.08	4,578.83	Centralizer	6
17	43.32	754.44	4,534.76	4,535.51		
18	44.38	798.82	4,490.38	4,491.13		
19	44.38	843.20	4,446.00	4,446.75		
20	44.40	887.60	4,401.60	4,402.35	Centralizer	7
21	44.00	931.60	4,357.60	4,358.35		
22	44.37	975.97	4,313.23	4,313.98		
23	44.39	1,020.36	4,268.84	4,269.59		
24	44.35	1,064.71	4,224.49	4,225.24	Centralizer	8
25	44.39	1,109.10	4,180.10	4,180.85		
26	44.35	1,153.45	4,135.75	4,136.50		
27	44.38	1,197.83	4,091.37	4,092.12		
28	44.32	1,242.15	4,047.05	4,047.80	Centralizer	9
29	44.35	1,286.50	4,002.70	4,003.45		
30	44.39	1,330.89	3,958.31	3,959.06		
31	44.37	1,375.26	3,913.94	3,914.69		
32	44.36	1,419.62	3,869.58	3,870.33	Centralizer	10
33	44.32	1,463.94	3,825.26	3,826.01		
34	44.40	1,508.34	3,780.86	3,781.61		
35	44.38	1,552.72	3,736.48	3,737.23		
36	44.37	1,597.09	3,692.11	3,692.86	Centralizer	11
37	44.37	1,641.46	3,647.74	3,648.49		
38	44.39	1,685.85	3,603.35	3,604.10		
39	44.38	1,730.23	3,558.97	3,559.72		
40	44.36	1,774.59	3,514.61	3,515.36	Centralizer	12
41	44.40	1,818.99	3,470.21	3,470.96		
42	44.35	1,863.34	3,425.86	3,426.61		
43	44.36	1,907.70	3,381.50	3,382.25		
44	44.35	1,952.05	3,337.15	3,337.90	Centralizer	13
45	44.36	1,996.41	3,292.79	3,293.54		
46	44.36	2,040.77	3,248.43	3,249.18		
47	44.37	2,085.14	3,204.06	3,204.81		
48	44.36	2,129.50	3,159.70	3,160.45	Centralizer	14
49	44.35	2,173.85	3,115.35	3,116.10		

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item	Footage	Cumulative Footage	Top Depth	Btm Depth		
	50	44.32	2,218.17	3,071.03	3,071.78	
	51	44.35	2,262.52	3,026.68	3,027.43	Cement Basket
Stage Tool		2.08	2,264.61	3,024.60	3,025.35	
	52	44.36	2,308.97	2,980.24	2,980.99	Centralizer 15
	53	44.36	2,353.33	2,935.88	2,936.63	
	54	44.40	2,397.73	2,891.48	2,892.23	
	55	44.38	2,442.11	2,847.10	2,847.85	Centralizer 16
	56	44.39	2,486.50	2,802.71	2,803.46	
	57	44.37	2,530.87	2,758.34	2,759.09	Centralizer 17
	58	44.38	2,575.25	2,713.96	2,714.71	
	59	44.38	2,619.63	2,669.58	2,670.33	
	60	44.38	2,664.01	2,625.20	2,625.95	
	61	44.42	2,708.43	2,580.78	2,581.53	Centralizer 18
	62	44.41	2,752.84	2,536.37	2,537.12	
	63	44.32	2,797.16	2,492.05	2,492.80	Centralizer 19
	64	44.34	2,841.50	2,447.71	2,448.46	
	65	44.35	2,885.85	2,403.36	2,404.11	Centralizer 20
	66	44.34	2,930.19	2,359.02	2,359.77	
	67	44.32	2,974.51	2,314.70	2,315.45	Centralizer 21
	68	44.40	3,018.91	2,270.30	2,271.05	
	69	44.36	3,063.27	2,225.94	2,226.69	Centralizer 22
	70	44.32	3,107.59	2,181.62	2,182.37	
	71	44.42	3,152.01	2,137.20	2,137.95	
	72	44.41	3,196.42	2,092.79	2,093.54	
	73	44.38	3,240.80	2,048.41	2,049.16	Centralizer 23
	74	44.35	3,285.15	2,004.06	2,004.81	
	75	44.37	3,329.52	1,959.69	1,960.44	
	76	44.31	3,373.83	1,915.38	1,916.13	
	77	44.32	3,418.15	1,871.06	1,871.81	Centralizer 24
	78	44.27	3,462.42	1,826.79	1,827.54	
	79	44.36	3,506.78	1,782.43	1,783.18	
	80	44.34	3,551.12	1,738.09	1,738.84	
	81	44.37	3,595.49	1,693.72	1,694.47	Centralizer 25
	82	44.32	3,639.81	1,649.40	1,650.15	
	83	44.31	3,684.12	1,605.09	1,605.84	
	84	44.38	3,728.50	1,560.71	1,561.46	
	85	44.33	3,772.83	1,516.38	1,517.13	Centralizer 26
	86	44.35	3,817.18	1,472.03	1,472.78	
	87	44.35	3,861.53	1,427.68	1,428.43	
	88	44.37	3,905.90	1,383.31	1,384.06	
	89	44.37	3,950.27	1,338.94	1,339.69	Centralizer 27
	90	44.40	3,994.67	1,294.54	1,295.29	
	91	44.30	4,038.97	1,250.24	1,250.99	
	92	44.36	4,083.33	1,205.88	1,206.63	
	93	44.31	4,127.64	1,161.57	1,162.32	Centralizer 28
	94	44.33	4,171.97	1,117.24	1,117.99	
	95	44.48	4,216.45	1,072.76	1,073.51	
	96	44.36	4,260.81	1,028.40	1,029.15	
	97	44.35	4,305.16	984.05	984.80	Centralizer 29
	98	44.35	4,349.51	939.70	940.45	
	99	44.37	4,393.88	895.33	896.08	

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item	Footage	Cumulative Footage	Top Depth	Btm Depth		
100	44.32	4,438.20	851.01	851.76		
101	44.36	4,482.56	806.65	807.40	Centralizer	30
102	44.31	4,526.87	762.34	763.09		
103	44.35	4,571.22	717.99	718.74		
104	44.32	4,615.54	673.67	674.42		
105	44.32	4,659.86	629.35	630.10	Turbolizer	1
106	44.00	4,703.86	585.35	586.10		
107	44.36	4,748.22	540.99	541.74		
108	44.32	4,792.54	496.67	497.42		
109	44.36	4,836.90	452.31	453.06	Centralizer	31
110	44.39	4,881.29	407.92	408.67		
111	44.27	4,925.56	363.65	364.40	Centralizer	32
112	44.36	4,969.92	319.29	320.04	Turbolizer	2
113	44.09	5,014.01	275.20	275.95	Centralizer	33
114	44.36	5,058.37	230.84	231.59		
115	44.39	5,102.76	186.45	187.20	Centralizer	34
116	44.33	5,147.09	142.12	142.87		
117	44.33	5,191.42	97.79	98.54	Centralizer	35
118	44.35	5,235.77	53.44	54.19		
119	44.28	5,280.05	9.16	9.91		

Landing Sub 15.15 5,295.20 (5.99) (5.24)

Stick-up above KB -5.99 5,289.21

Screw On Wellhead, 18" above 8-5/8" Casing Head, reason for distance off of TD.

Total Depth of the Hole	5298	
Shoe Distance off of hole TD when landed		8.79 feet
Centralizers Run	35	
Turbolizers Run	2	
Cement Baskets Run	1	
Shoe Depth	5,289.21	
Float Collar Depth	5,243.45	
Stage Tool Depth	3,024.60	

Joints to return to Stock

1	44.30
2	44.30
3	44.33
4	44.36
5	44.35
Short Jt. (6)	5.20
Landing Jt. (7)	15.15

By Thomas E. Mullins
Synergy Operating, LLC
December 2, 2001

Aztec Rig # 507
San Juan Casing Crew



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

September 28, 2001

Lori Wrotenbery

Director

Oil Conservation Division

Bois d'Arc Offshore, Inc.
c/o Discovery Exploration, Inc.
621 17th Street - Suite 1535
Denver, Colorado 80293
Attention: William Price Berryman
Agent, Synergy Operating, LLC

Telefax No. (303) 258-2258



Received
10/15/01

Administrative Order NSL-4648

Dear Mr. Berryman:

Reference is made to the following: (i) your application on behalf of the operator, Bois d'Arc Offshore, Inc., submitted to the New Mexico Oil Conservation Division ("Division") on September 6, 2001 (*application reference No. pKRV0-125331817*); (ii) the Division's initial response by letter dated September 14, 2001 from Mr. Michael E. Stogner, Chief Hearing Officer/Engineer in Santa Fe; (iii) your telefaxed response of September 23, 2001 with supplemental data; and (iv) the Division's records in Aztec and Santa Fe: all concerning Bois d'Arc Offshore, Inc.'s request for a non-standard gas well location within both the Dakota and Mesaverde (Menefee) formations for its proposed Encino "15" Well No. 1 to be drilled 250 feet from the North line and 920 feet from the East line (Unit A) of Section 15, Township 20 North, Range 5 West, NMPM, McKinley County, New Mexico. The NE/4 of Section 15 is to be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit for both intervals.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that Bois d'Arc Offshore, Inc. is seeking this location exception based on a 3-D seismic survey of the immediate area, which indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the deeper Dakota formation than a well drilled at a location considered to be standard within the NE/4 of Section 15.

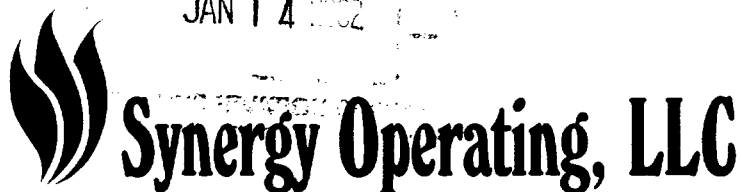
By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox wildcat gas well location to both the Dakota and Mesaverde (Menefee) formations within this 160-acre unit comprising the NE/4 of Section 15 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington



PO Box 5513
Farmington, NM 87499
(505) 325-5449
Fax (505) 325-6585

January 11, 2002

New Mexico Oil Conservation Division
Attn: Michael Stogner
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Bois d' Arc Offshore, Ltd.
Bois d' Arc Encino 15 # 1
Unit A, Section 15, T20N, R05W
McKinley County, NM
Dakota, Mancos, and Mesaverde
Amended NSL-4648

Dear Mr. Stogner,

Synergy Operating, LLC, as agent for Bois d' Arc Offshore, Ltd., is requesting Administrative Approval of the Non-Standard Location as drilled for the subject well. This application is requesting approval for an NSL for the following pools: ~~WC 20N5W15-Dakota; WC 20N5W15-Mancos, and WC 20N5W15 Mesaverde.~~

Prior applications did not include the Mancos (Gallup) Intervals. The nearest Mancos Pool to the subject well is the Rio Puerco Mancos Pool, 3 miles to the East of the subject well.

As mentioned in our original NSL application, Bois d' Arc Offshore, Ltd., et al, is the holder of all the adjacent mineral leases to the subject NE/4 (160 Acres) of Section 15. Please reference the attached lease map.

During drilling operations, significant hole deviation was encountered. Synergy surveyed the hole with a MWD tool and submits the attached survey information for an amended bottom-hole location approval.

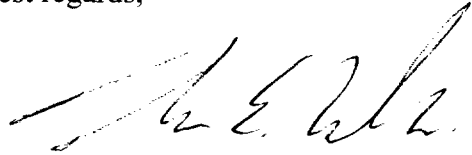
The surface location is located at 250' FNL, 920' FEL, Section 15, T20N, R05W, McKinley County, NM. The bottom-hole location at 5298' MD, 5288' TVD, is 151' FNL, 736' FEL, Section 15, T20N, R05W, McKinley County, NM.

The reason for this amended NSL application is the unanticipated deviation encountered during drilling operations. We are also requesting approval to allow completion in the Mancos (Gallup) at this time. We appreciate the Division's timely approval of our request. We will not begin our completion operations, until the Division approves this amended NSL filing.

The attached data sheet lists the current formation tops and the requested depths to be associated with each respective pool designation.

I can be reached at (505) 566-3725 or by facsimile at (505) 325-6585.

Best regards,

A handwritten signature in black ink, appearing to read 'T. E. Mullins', with a stylized flourish at the end.

Thomas E. Mullins
Engineering Manager

attachments

cc: NMOCD – Aztec
US BLM – Farmington
Bois d' Arc Offshore, LTD.

Synergy Operating, LLC
Bois d' Arc Encino 15 # 1
Unit A, Section 15, T20N, R05W
McKinley County, NM

All Depths referenced to Schlumberger GR-CET log run on 12-12-2001

<u>Formation</u>	<u>Depth</u>
Nacimiento	Surface
Ojo Alamo	135'
Kirtland	245'
Fruitland	485'
Pictured Cliffs	590'
Lewis Shale	924'
Chacra	969'
Cliffhouse (La Ventana)	1271'
Menefee	1977'
Pt. Lookout	2851'
Mancos	3005'
Gallup, <i>El Vado SS, Mancos</i>	3671'
Semilla SS, Mancos	3814'-3881'
Gallup Sand Interval <i>Juana Lopez SS, Mancos</i>	3889'
Gallup Formation	4028'-4119'
Greenhorn	4794'
Graneros	4836'
Dakota	4881'
Burro Canyon/Lower DK	5124'
PBTD	5245'
Morrison	5294'
TD	5298'
<u>Pool Definition Request</u>	<u>Depths</u>

WC 20N5W15 Mesaverde 1271' to 3005'

WC 20N5W15 Mancos 3005' to 4794'

The Mancos from 3005' to 4028' is the Niobrara (upper) Mancos. From the Base of the Juana Lopez to the Bridge Creek LS Member of the GreenHorn is the Carlile Mancos Formation.

WC 20N5W15 Dakota 4794' to 5296'

Surface location:

250' FNL, 920' FEL, Section 15, T20N, R05W, McKinley County, NM.

Bottom-hole location:

5298' MD, 5288' TVD

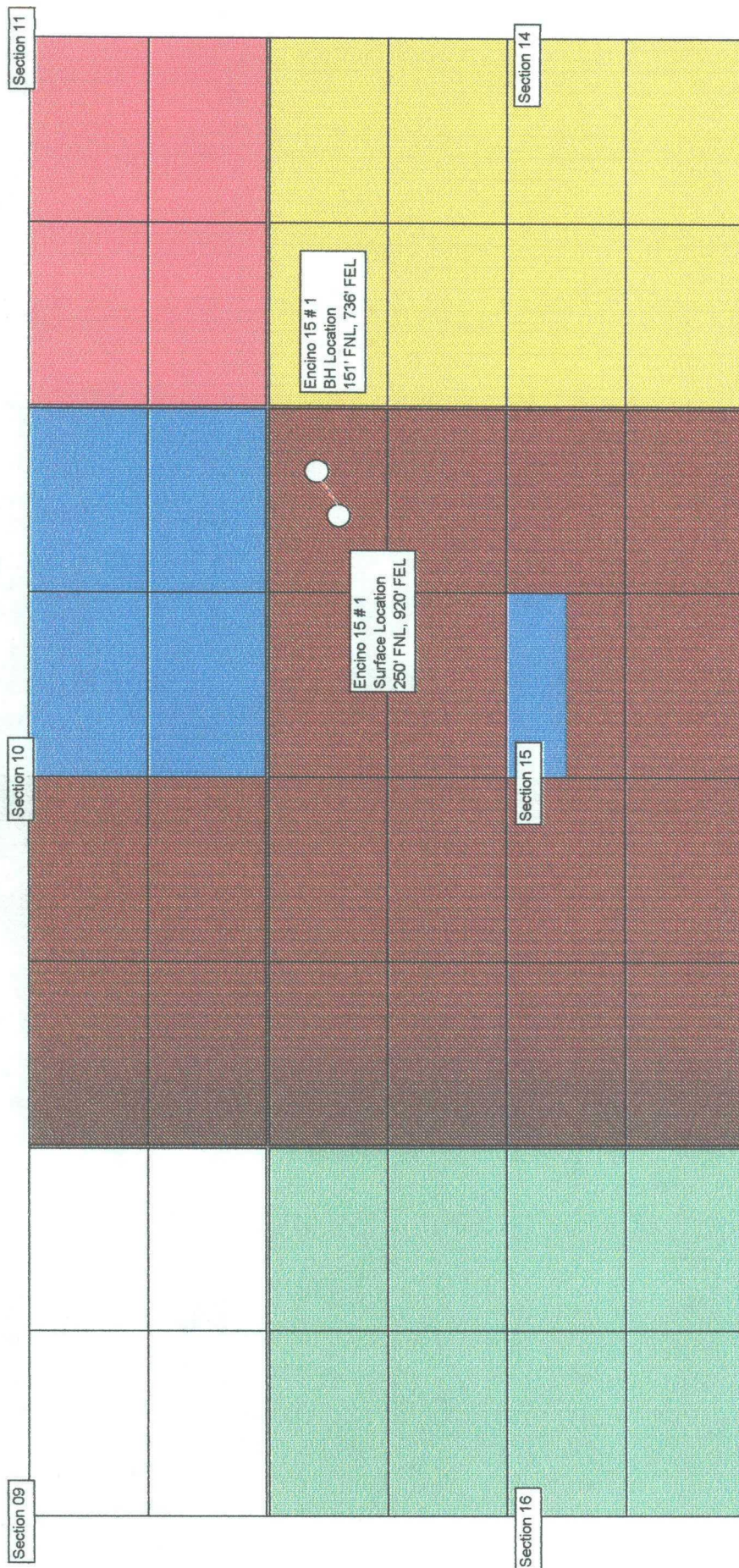
151' FNL, 736' FEL, Section 15, T20N, R05W, McKinley County, NM.

Tops reviewed by Chip Harridan, Steve Hayden, & Tom Mullins
1-10-2002

**Synergy Operating, LLC
Boisd Arc Offshore Limited
Boisd Arc Encino 15 # 1
Unit A, Section 15, T20NR05W
McKinley County, New Mexico**

Surface Location:
250' FNL, 920' FEL, Sec 15
New Bottomhole Location:
151' FNL, 736' FEL, Sec 15

Ammended NSL filing request



- Lease NMNM-99720 Held by SJUV
- Lease NMNM-99719 Held by SJUV
- Lease VA-1682 Held by SJUV
- Lease NMNM-100277 Held by SJUV
- Lease NMNM-100803 Held by SJUV



PO Box 5513
Farmington, NM 87499
(505) 325-5449
Fax (505) 325-6585

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery
1220 South St. Francis Drive
Santa Fe, NM 87505

December 17, 2001

RE: Bois d' Arc Offshore, Ltd.
Bois d' Arc Encino 15 # 1
Unit A, Section 15, T20N, R05W
McKinley County, NM
Dakota and Mesaverde
Amended NSL-4648
Approval Request

Dear Ms. Wrotenbery

Synergy Operating, LLC, as agent for Bois d' Arc Offshore, Ltd., is requesting Administrative Approval of the Non-Standard Location as drilled for the subject well. During drilling operations, significant hole deviation was encountered. Synergy surveyed the hole with a MWD tool and submits the attached survey information for an amended bottom-hole location approval.

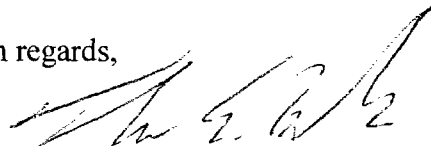
The surface location is located at 250' FNL, 920' FEL, Section 15, T20N, R05W, McKinley County, NM. The bottom-hole location at 5298' MD, 5288' TVD, is 151' FNL, 736' FEL, Section 15, T20N, R05W, McKinley County, NM.

As mentioned in our original NSL application, Bois d' Arc Offshore, Ltd., et al, is the holder of all the adjacent mineral leases to the subject NE/4 (160 Acres) of Section 15. Please reference the attached lease map.

The reason for this amended NSL application is the unanticipated deviation encountered during drilling operations. We appreciate the Division's timely approval of our request so that we can begin completion operations.

I can be reached at (505) 566-3725 or by facsimile at (505) 325-6585.

Warm regards,



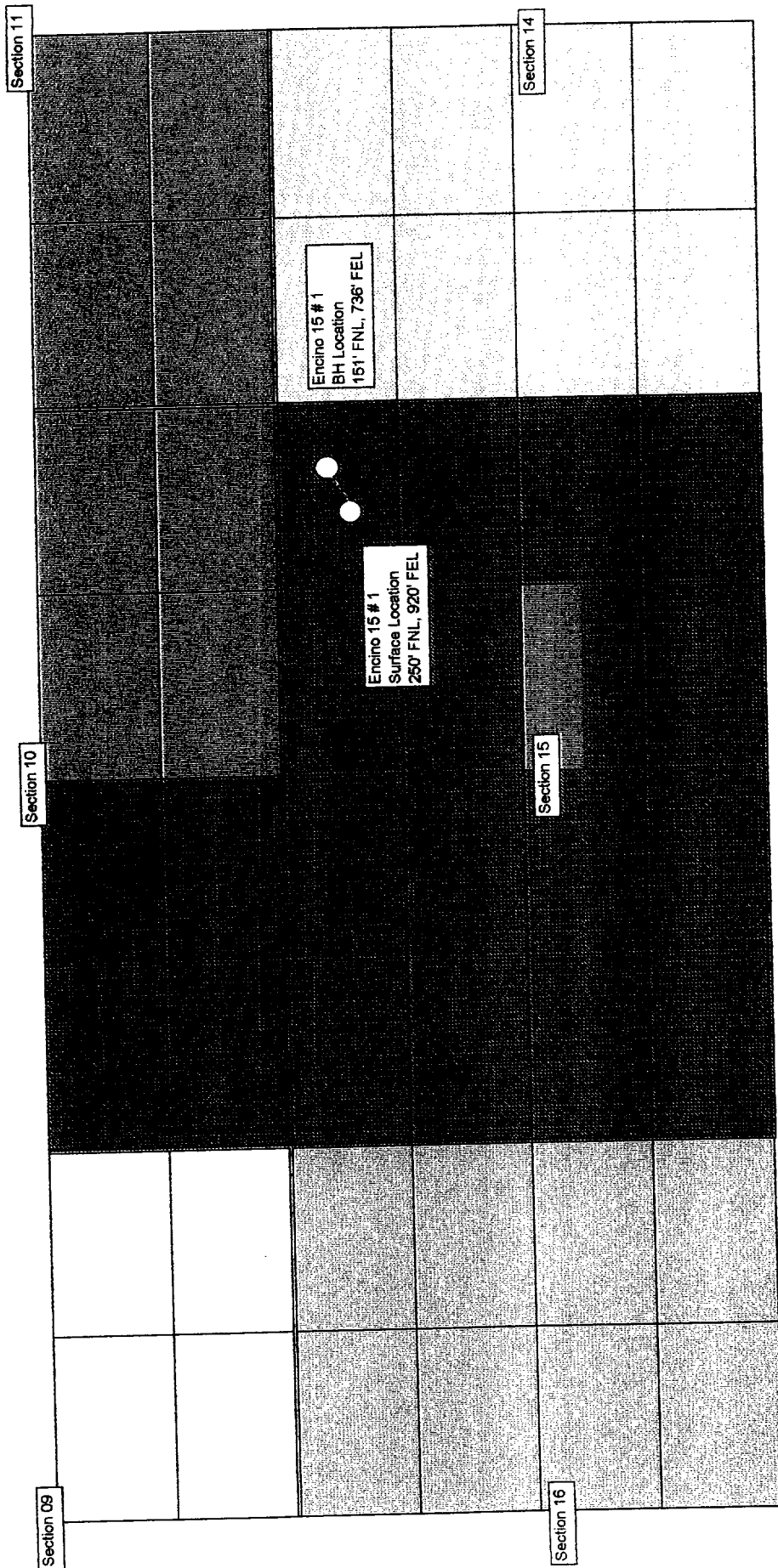
Thomas E. Mullins
Engineering Manager

cc: NMOCD - Aztec
US BLM - Farmington
Bois d' Arc Offshore

**Synergy Operating, LLC
Boisd Arc Offshore Limited
Boisd Arc Encino 15 # 1
Unit A, Section 15, T20NR05W
McKinley County, New Mexico**

Ammended NSL filing request

Surface Location:
250' FNL, 920' FEL, Sec 15
New Bottomhole Location:
151' FNL, 736' FEL, Sec 15



Lease NMNM-100803
Held by SJUV

Lease NMNM-100277
Held by SJUV

Lease VA-1682
Held by SJUV

Lease NMNM-99719
Held by SJUV

Lease NMNM-99720
Held by SJUV

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 (agent for Bois d' Arc Offshore, Ltd.)

3. Address and Telephone No.

PO Box 5513 (505) 325-5449 OGRID # 163458
Farmington, NM 87499

4. Location of Well (Footage, Sec. T., R., M. or Survey Description)

Unit Letter A, 250' FNL, 920' FEL, Sec 15, T20N-R05W

5. Lease Designation and Serial No.

NMNM-99720

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Bois d' Arc Encino 15 # 1

9. API Well No.

30-031-21008

10. Field and Pool, or Exploratory

WC20N05W15A
Undesignated Dakota

11. County or Parish, State

McKinley, New Mexico

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to injection
☐ 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.

Please see the attached pertinent information regarding the Bois d' Arc Encino 15 # 1
Direction and Deviation Surveys are attached.

11/18/2001 Drilling Operations of the 7-7/8" hole began with Aztec Rig # 507 on Sunday, November 18th, 2001
11/30/2001 TD of 5298' KB, was reached on Sunday, November 30, 2001 at 14:30 hrs.
Schlumberger ran openhole logs from 5299' (Drillers TD) to 614'. Logs include GR-IND, Neu-Density, & Microlog.
Openhole logs requested to be confidential.
12/02/2001 Run 119 Jts of 5-1/2" 15.5# J-55 ST&C Production Casing. Casing Shoe at 5289', Float Collar at 5243',
Stage Tool at 3024'. 35 Centralizers, 2 Turbolizers, & 1 Cement Basket on the casing string.
Cemented in 2 Stages. Details on attached Sheet.
Rig released at 22:45 hrs - 12/02/2001

FINAL BOTTOM HOLE LOCATION 99 feet to the North and 184 feet to the East of the surface Location.
or
151' FNL, 736' FEL, Unit A, Section 15, T20N, R05W - McKinley County, New Mexico

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

Signed:

Thomas E. Mullins

Title: Engineering Manager

Date:

12-05-2001

This space for federal or state office use

Approved by:

Title:

Date:

12-11-2001

Conditions of approval if any

Synergy Operating, LLC

Bois D' Arc Encino 15 # 1 (API # 30-031021008)

WC20N05W15A Dakota

Drilling Phase

- 11/18/01 MIRU Aztec # 507. Test 8-5/8" Casing to 1000 psi. GIH w/ 7-7/8" Hughes GT-09C Bit. Tag Shoe. Survey @ 235' - 7 degs Resurvey @ 235' - Same 7 degs. Drill Shoe. Drill new hole from 241' to 410', in 10' intervals circulating cuttings to Catch Fruitland Coal. One Can Taken, very little coal. Continue drilling ahead 85 RPM 10K WOB, trying to straighten hole. Drilling at 836' at report time.
- 11/19/01 Continue Drilling ahead with 10K WOB & 85 RPM. Survey hole at 992' - 6 degrees, 1244' - 3.75 degrees Begin TOO H to PU Directional Tools. SD for Rig Repairs.
- 11/20/01 Finish Rig Repairs. COOH. Laying down remaining Drill Collars. PU and MU Directional Tools. GIH with tools and survey existing hole with MWD equipment. Trouble getting initial readings near surface casing. Take survey readings. Current Hole direction is on an azimuth of approximately 70 degrees. The Surface Casing appears to be set at a 11 degree deviation. Consult with Geological and Geophysical expertise on current hole location. Current hole position is acceptable. Drilling ahead with directional tools rotating at 45 RPM surface, with 10K WOB, Surface Pump pressure 1200#. Drilling ahead at 1887'.
fp
- 11/21/01 Finish Drilling New Hole with Baker INTEQ Directional Tools to 2013'. COOH laying down pipe (Rig is not able to standback pipe). Attempt to take survey 107' below surface casing. No good readings. COOH laying down Baker Directional Tools. PU New Bit # 2, 7-7/8" Hughes Christensen GT-09C. Strap Drillstring GIH to 2013'. No fill or drag. Drilling ahead with Conventional BHA to 2486' at report time. (599' today).
- 11/22/01 Drilling ahead at 3190'.
- 11/23/01 Drilling ahead at 3480'.
- 11/24/01 Drilling ahead at 4075'. Lost circulation at 3975', 100 bbls.
- 11/25/01 Drilling ahead at 4287'. Lost circulation at 4155', 120 bbls. Rig Repairs.
- 11/26/01 Drilling ahead at 4631'. Bit Trip at 4631'.
- 11/27/01 Drilling ahead at 4750'.
- 11/28/01 Drilling ahead at 4974'.
- 11/29/01 Rig Repairs, Drilling ahead at 5186'.
- 11/30/01 Drill to TD at 5298', Circulate. Final Survey, COOH. RU Schlumberger. Run Logs.
- 12/1/01 Attempt to Run Cement Bond Log without success. Run 5-1/2" Production Casing to TD 5298'. Attempt to circulate hole with Mud. Lose 800 bbls mud with > 15% LCM. No indication of circulation.
- 12/2/01 BJ Services Cement First Stage of 5-1/2" Production Casing. Test Lines 3000#
Mix & Pump 20 bbls Mud Clean 2, 10 bbls Water, 70 bbls Cement, SD Drop Plug, 60 bbls H2O, & 67 bbls Mud Displacement. Bump Plug to 1350#. Bleed Back 2.5 bbls not holding. Pump 2 bbls Bump Plug to 1500#. Hold Pressure 5 mins. Bleed back to 500#. Leave pressure Casing. Cement Detail (194 sxs, 70 bbls, 394 ft^3, 12.5 ppg, 2.03 ft^3/sx yield) Premium Lite High Strength FM Additives +3% KCl+0.25#/sx CelloFlake+5 lbs/sx LCM-1+0.7%bwoc FL-52+0.3% bwoc CD-32 No Circulation throughout Job. Final Lift Pressure of 370 psi. Expect Coverage of Dakota to the Base of Gallup.
Check Cmt performance. WOC. Check Pressure, raised to 800#. Bleed to Zero. Plug holding. Drop Opening Tool Bomb. Wait 35 mins. Open tool with 400# pressure. SD Swap to rig pump Start pumping at 3 BPM, 250#. Catch pressure after 35 bbls mud, Circulation at 40 bbls Circulate and condition Mud from 3024' to surface. Monitor returns. Mud has 3 % LCM 60 cp, 8.8 ppg. Good mud returns.
Safety Meeting w/ all personnel, review Stage # 2 job. Test lines. Mix & Pump 20 bbls Mud Clean 2, 10 bbls water, 110 bbls Lead, 15 bbls Tail, SD, Drop Plug, 72 bbls Water Displacement. Good Circ until 85 bbls pumped, then partial returns to zero returns, Rate between 1 to 3 bpm. Bump Plug to 1600#. Bleed Off. Plug holding. Cement appeared to be on a vacuum.
Suspect Cement placement downhole from Pt. Lookout to Gallup interval. Attempted to hesitate cement, but unsuccessful. Cut Cement Volume Short due to LC Lead Cement Detail (295 sxs, 110 bbls, 617 ft^3, 12.1 ppg, 2.09 ft^3/sx yield) Premium Lite FM Additives +1%CaCl+0.25#/sx CelloFlake+5 lbs/sx LCM-1+8%bwoc bentonite. PD @ 17:05 hrs

Will Run Cement Bond Log from PBTD to Surface to check Cement Quality.

Survey Report

MIN. CURVATURE CALCULATIONS (SPE-3362)

OPERATOR: Synergy Operating, LLC
WELL: Bois D' Arc Encino 15 #1
LOCATION: Mckinley Co. N.M.

START: 11/19/01
FINISH: 12/1/01

PROPOSED DIREC 0.00
Magnetic to True: 10.8

STATIONSURVEY							VERT.	DLS/
NUMBER	DEPTH	INC	AZMTH	TVD	N-S	E-W	SECTION	100
TIE IN	0	0.00	0.00	0.00	0.00	0.00	0.0	0.0
1	499	11.1	67.4	495.9	18.5	44.5	18.5	2.2
2	655	9.8	65.6	649.3	29.8	70.4	29.8	0.9
3	811	8.0	67.7	803.4	39.4	92.6	39.4	1.2
4	968	5.6	69.0	959.3	46.3	109.8	46.3	1.5
5	1125	4.1	65.3	1115.7	51.4	122.1	51.4	1.0
6	1283	2.7	70.8	1273.4	54.9	130.7	54.9	0.9
7	1352	2.1	70.3	1342.4	55.9	133.5	55.9	0.9
8	1406	2.0	69.4	1396.4	56.6	135.3	56.6	0.2
9	1500	2.4	67.7	1490.3	57.9	138.6	57.9	0.4
10	1532	2.0	74.0	1522.3	58.3	139.8	58.3	1.5
11	1594	2.4	69.6	1584.2	59.1	142.0	59.1	0.7
12	1686	0.9	50.0	1676.2	60.2	144.4	60.2	1.7
13	1778	1.0	57.0	1768.2	61.1	145.6	61.1	0.2
14	1872	0.9	49.0	1862.1	62.0	146.9	62.0	0.2
15	1967	0.8	45.4	1957.1	63.0	147.9	63.0	0.1
16	2467	0.5	45.0	2457.1	67.0	151.9	67.0	0.1
17	2983	0.8	45.0	2973.1	71.0	155.9	71.0	0.0
18	3480	0.8	45.0	3470.0	75.6	160.5	75.6	0.0
19	3977	0.8	45.0	3967.0	80.2	165.1	80.2	0.0
20	4475	1.5	45.0	4464.9	87.1	172.0	87.1	0.2
21	4975	1.0	45.0	4964.8	94.8	179.7	94.8	0.1
22	5298	1.0	45.0	5287.7	98.8	183.7	98.8	0.0

SL
250' FNL -
920' FNL

1 410
2 50
- 99
151
8 820
1 84
736

1176 125-2001

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item		Footage	Cumulative Footage	Top Depth	Btm Depth		
Shoe		0.75	0.75	5,288.46	5,289.21		
	1	44.40	45.15	5,244.06	5,244.81		
Float Collar		0.60	45.75	5,243.45	5,244.20		
	2	44.38	90.13	5,199.07	5,199.82	Centralizer	1
	3	44.48	134.61	5,154.59	5,155.34		
	4	44.38	178.99	5,110.21	5,110.96	Centralizer	2
	5	44.32	223.31	5,065.89	5,066.64		
	6	44.42	267.73	5,021.47	5,022.22	Centralizer	3
	7	44.40	312.13	4,977.07	4,977.82		
	8	44.32	356.45	4,932.75	4,933.50	Centralizer	4
	9	44.40	400.85	4,888.35	4,889.10		
	10	44.32	445.17	4,844.03	4,844.78		
	11	44.34	489.51	4,799.69	4,800.44		
	12	44.32	533.83	4,755.37	4,756.12	Centralizer	5
	13	44.33	578.16	4,711.04	4,711.79		
	14	44.36	622.52	4,666.68	4,667.43		
	15	44.32	666.84	4,622.36	4,623.11		
	16	44.28	711.12	4,578.08	4,578.83	Centralizer	6
	17	43.32	754.44	4,534.76	4,535.51		
	18	44.38	798.82	4,490.38	4,491.13		
	19	44.38	843.20	4,446.00	4,446.75		
	20	44.40	887.60	4,401.60	4,402.35	Centralizer	7
	21	44.00	931.60	4,357.60	4,358.35		
	22	44.37	975.97	4,313.23	4,313.98		
	23	44.39	1,020.36	4,268.84	4,269.59		
	24	44.35	1,064.71	4,224.49	4,225.24	Centralizer	8
	25	44.39	1,109.10	4,180.10	4,180.85		
	26	44.35	1,153.45	4,135.75	4,136.50		
	27	44.38	1,197.83	4,091.37	4,092.12		
	28	44.32	1,242.15	4,047.05	4,047.80	Centralizer	9
	29	44.35	1,286.50	4,002.70	4,003.45		
	30	44.39	1,330.89	3,958.31	3,959.06		
	31	44.37	1,375.26	3,913.94	3,914.69		
	32	44.36	1,419.62	3,869.58	3,870.33	Centralizer	10
	33	44.32	1,463.94	3,825.26	3,826.01		
	34	44.40	1,508.34	3,780.86	3,781.61		
	35	44.38	1,552.72	3,736.48	3,737.23		
	36	44.37	1,597.09	3,692.11	3,692.86	Centralizer	11
	37	44.37	1,641.46	3,647.74	3,648.49		
	38	44.39	1,685.85	3,603.35	3,604.10		
	39	44.38	1,730.23	3,558.97	3,559.72		
	40	44.36	1,774.59	3,514.61	3,515.36	Centralizer	12
	41	44.40	1,818.99	3,470.21	3,470.96		
	42	44.35	1,863.34	3,425.86	3,426.61		
	43	44.36	1,907.70	3,381.50	3,382.25		
	44	44.35	1,952.05	3,337.15	3,337.90	Centralizer	13
	45	44.36	1,996.41	3,292.79	3,293.54		
	46	44.36	2,040.77	3,248.43	3,249.18		
	47	44.37	2,085.14	3,204.06	3,204.81		
	48	44.36	2,129.50	3,159.70	3,160.45	Centralizer	14
	49	44.35	2,173.85	3,115.35	3,116.10		

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item	Footage	Cumulative Footage	Top Depth	Btm Depth		
Stage Tool	50	44.32	2,218.17	3,071.03	3,071.78	
	51	44.35	2,262.52	3,026.68	3,027.43	Cement Basket
		2.08	2,264.61	3,024.60	3,025.35	
	52	44.36	2,308.97	2,980.24	2,980.99	Centralizer 15
	53	44.36	2,353.33	2,935.88	2,936.63	
	54	44.40	2,397.73	2,891.48	2,892.23	
	55	44.38	2,442.11	2,847.10	2,847.85	Centralizer 16
	56	44.39	2,486.50	2,802.71	2,803.46	
	57	44.37	2,530.87	2,758.34	2,759.09	Centralizer 17
	58	44.38	2,575.25	2,713.96	2,714.71	
	59	44.39	2,619.63	2,669.58	2,670.33	
	60	44.38	2,664.01	2,625.20	2,625.95	
	61	44.42	2,708.43	2,580.78	2,581.53	Centralizer 18
	62	44.41	2,752.84	2,536.37	2,537.12	
	63	44.32	2,797.16	2,492.05	2,492.80	Centralizer 19
	64	44.34	2,841.50	2,447.71	2,448.46	
	65	44.35	2,885.85	2,403.36	2,404.11	Centralizer 20
	66	44.34	2,930.19	2,359.02	2,359.77	
	67	44.32	2,974.51	2,314.70	2,315.45	Centralizer 21
	68	44.40	3,018.91	2,270.30	2,271.05	
	69	44.36	3,063.27	2,225.94	2,226.69	Centralizer 22
	70	44.32	3,107.59	2,181.62	2,182.37	
	71	44.42	3,152.01	2,137.20	2,137.95	
	72	44.41	3,196.42	2,092.79	2,093.54	
	73	44.38	3,240.80	2,048.41	2,049.16	Centralizer 23
	74	44.35	3,285.15	2,004.06	2,004.81	
	75	44.37	3,329.52	1,959.69	1,960.44	
	76	44.31	3,373.83	1,915.38	1,916.13	
	77	44.32	3,418.15	1,871.06	1,871.81	Centralizer 24
	78	44.27	3,462.42	1,826.79	1,827.54	
	79	44.36	3,506.78	1,782.43	1,783.18	
	80	44.34	3,551.12	1,738.09	1,738.84	
	81	44.37	3,595.49	1,693.72	1,694.47	Centralizer 25
	82	44.32	3,639.81	1,649.40	1,650.15	
	83	44.31	3,684.12	1,605.09	1,605.84	
	84	44.38	3,728.50	1,560.71	1,561.46	
	85	44.33	3,772.83	1,516.38	1,517.13	Centralizer 26
	86	44.35	3,817.18	1,472.03	1,472.78	
	87	44.35	3,861.53	1,427.68	1,428.43	
	88	44.37	3,905.90	1,383.31	1,384.06	
	89	44.37	3,950.27	1,338.94	1,339.69	Centralizer 27
	90	44.40	3,994.67	1,294.54	1,295.29	
	91	44.30	4,038.97	1,250.24	1,250.99	
	92	44.36	4,083.33	1,205.88	1,206.63	
	93	44.31	4,127.64	1,161.57	1,162.32	Centralizer 28
	94	44.33	4,171.97	1,117.24	1,117.99	
	95	44.48	4,216.45	1,072.76	1,073.51	
	96	44.36	4,260.81	1,028.40	1,029.15	
	97	44.35	4,305.16	984.05	984.80	Centralizer 29
	98	44.35	4,349.51	939.70	940.45	
	99	44.37	4,393.88	895.33	896.08	

Bois d' Arc Encino 15 # 1

5-1/2" 15.5# J-55 ST&C Production Casing Tally

Item	Footage	Cumulative Footage	Top Depth	Btm Depth		
100	44.32	4,438.20	851.01	851.76		
101	44.36	4,482.56	806.65	807.40	Centralizer	30
102	44.31	4,526.87	762.34	763.09		
103	44.35	4,571.22	717.99	718.74		
104	44.32	4,615.54	673.67	674.42		
105	44.32	4,659.86	629.35	630.10	Turbolizer	1
106	44.00	4,703.86	585.35	586.10		
107	44.36	4,748.22	540.99	541.74		
108	44.32	4,792.54	496.67	497.42		
109	44.36	4,836.90	452.31	453.06	Centralizer	31
110	44.39	4,881.29	407.92	408.67		
111	44.36	4,925.65	363.65	364.40	Centralizer	32
112	44.36	4,969.92	319.29	320.04	Turbolizer	2
113	44.09	5,014.01	275.20	275.95	Centralizer	33
114	44.36	5,058.37	230.84	231.59		
115	44.39	5,102.76	186.45	187.20	Centralizer	34
116	44.33	5,147.09	142.12	142.87		
117	44.33	5,191.42	97.79	98.54	Centralizer	35
118	44.35	5,235.77	53.44	54.19		
119	44.28	5,280.05	9.16	9.91		

Landing Sub 15.15 5,295.20 (5.99) (5.24)

Stick-up above KB -5.99 5,289.21

Screw On Wellhead, 18" above 8-5/8" Casing Head, reason for distance off of TD.

Total Depth of the Hole 5298

Shoe Distance off of hole TD when landed 8.79 feet

Centralizers Run 35

Turbolizers Run 2

Cement Baskets Run 1

Shoe Depth 5,289.21

Float Collar Depth 5,243.45

Stage Tool Depth 3,024.60

Joints to return to Stock

1 44.30

2 44.30

3 44.33

4 44.36

5 44.35

Short Jt. (6) 5.20

Landing Jt. (7) 15.15

By Thomas E. Mullins
Synergy Operating, LLC
December 2, 2001

Aztec Rig # 507
San Juan Casing Crew



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

September 28, 2001

Lori Wrotenbery

Director

Oil Conservation Division

Bois d'Arc Offshore, Inc.
c/o Discovery Exploration, Inc.
621 17th Street - Suite 1535
Denver, Colorado 80293
Attention: William Price Berryman
Agent, Synergy Operating, LLC

Telefax No. 303-733-1558

Received
10/15/01

Administrative Order NSL-4648

Dear Mr. Berryman:


Reference is made to the following: (i) your application on behalf of the operator, Bois d'Arc Offshore, Inc., submitted to the New Mexico Oil Conservation Division ("Division") on September 6, 2001 (*application reference No. pKRV0-125331817*); (ii) the Division's initial response by letter dated September 14, 2001 from Mr. Michael E. Stogner, Chief Hearing Officer/Engineer in Santa Fe; (iii) your telefaxed response of September 23, 2001 with supplemental data; and (iv) the Division's records in Aztec and Santa Fe: all concerning Bois d'Arc Offshore, Inc.'s request for a non-standard gas well location within both the Dakota and Mesaverde (Menefee) formations for its proposed Encino "15" Well No. 1 to be drilled 250 feet from the North line and 920 feet from the East line (Unit A) of Section 15, Township 20 North, Range 5 West, NMPM, McKinley County, New Mexico. The NE/4 of Section 15 is to be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit for both intervals.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that Bois d'Arc Offshore, Inc. is seeking this location exception based on a 3-D seismic survey of the immediate area, which indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the deeper Dakota formation than a well drilled at a location considered to be standard within the NE/4 of Section 15.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox wildcat gas well location to both the Dakota and Mesaverde (Menefee) formations within this 160-acre unit comprising the NE/4 of Section 15 is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington

Stogner, Michael

From: Thomas E. Mullins [mullinst@cyberport.com]
Sent: Friday, January 04, 2002 5:19 PM
To: mstogner@state.nm.us
Cc: shayden@state.nm.us; gmartin@lauferaa.com
Subject: NSL Question -- Bois d' Arc Encino 15 # 1

Dear Mr. Stogner,

After speaking with Steve Hayden from the Aztec office regarding this well; Steve suggested that I call you to discuss what should be the appropriate way for us to request/obtain approval to complete the Gallup formation in our subject well.

Bois d' Arc Encino 15 # 1
(30-031-21008)
Unit A, Sec 15, T20N-R05W
McKinley County, NM

An original NSL-4648 was approved for this well on September 28, 2001, for the Dakota and Mesaverde formations.

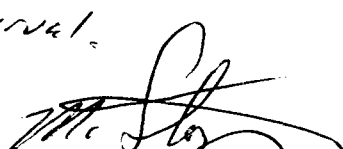
I subsequently filed for an ammended NSL approval on December 17, 2001, for these same formations because of the significant change in the bottom-hole location of the well. This was necessary because of deviation problems encountered during the drilling operation.

We have not filed a request to attempt a Gallup completion on the well. Based upon encouraging Mud Log shows and Lost Circulation encountered in the Gallup interval, Synergy Operating, as agent for Bois d' Arc Offshore, Ltd, would like to attempt a Gallup completion on this well. We first plan to test the Dakota, then the Gallup, and finally the Menefee formation of the Mesaverde.

I plan to call you next week at your office (476-3465) to discuss what would be the most appropriate method for our application to complete in the Gallup.

Thank you in advance for your time. I can be reached at (505) 566-3725.

- Tom Mullins
Synergy Operating, LLC
PO Box 5513
Farmington, NM 87499
(505) 566-3725

4:10 PM 1-7-2002
- talked w/ Tom Mullins
- the Dec. 18th NSL will be
ammended to include this
Gallup interval.




NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

MEMORANDUM

TO: Richard Ezeanyim, Chief Engineer

FROM: Michael E. Stogner, Chief Hearing Officer/Engineer *MS*

SUBJECT: AMENDED Administrative Application NSL-4648 issued on February 19, 2002 (see copy attached).

cc: Lori Wrotenbery, Director

DATE: April 2, 2002

Mr. Ezeanyim,

Per your request at this mornings Engineering Bureau meeting concerning the timing of this administrative application. Synergy Operating, LLC ("Synergy") filed its initial application on December 19, 2002. 16 days later on January 4, 2002 I received an e-mail from them asking to amend the application to include an additional zone. On January 11, 2002, Synergy filed its complete application thereby changing its suspense date from January 8, 2002 to February 4, 2002. I issued this order on February 19, 2002 (15 days past the suspense date and 9 days past the mandatory 30-day limit). Due to other demands of my time I failed to get this application out the required 30-day time period. Please note that this is a somewhat complicated issue that also involved our Aztec geologist's time.

I have also attached a print out of this information from the RBDMS database that refers to these dates and corresponding events.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Letty Rivera
Cabinet Secretary

February 19, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Synergy Operating, LLC
(Agent for Bois d'Arc Offshore, Ltd.)
P. O. Box 5513
Farmington, New Mexico 87499
Attention: **Thomas E. Mullins**
Engineering Manager
mullinst@cyberport.com

Telefax No. (505) 325-6585

AMENDED Administrative Order NSL-4648

Dear Mr. Mullins:

Reference is made to the following: (i) your initial application for amendment to Division Administrative Order NSL-4648, dated September 28, 2001, on behalf of the operator, Bois d'Arc Offshore, Ltd., submitted to the New Mexico Oil Conservation Division ("Division") on December 18, 2001 (*application reference No. pKRV0-136544894*); (ii) your e-mail correspondence of January 4, 2002 to Mr. Michael E. Stogner, Division Engineer/Chief Hearing Officer in Santa Fe concerning this December 18, 2001 application; (iii) your second request for additional amendments to this order by letter dated January 11, 2002; (iv) your telephone conversation with Mr. Stogner on Thursday, February 7, 2002, and (v) the Division's records in Aztec and Santa Fe, including the file on Division Administrative Order NSL-4648.

Division Administrative Order NSL-4648, authorized Bois d'Arc Offshore, Ltd. to drill its Bois d'Arc Encino "15" Well No. 1 (API No. 30-031-21008), in a conventional manner at an unorthodox gas well location 250 feet from the North line and 920 feet from the East line (Unit A) of Section 15, Township 20 North, Range 5 West, NMPM, McKinley County, New Mexico, in order to test both the wildcat Dakota and Mesaverde (Menefee) formations within a standard 160-acre gas spacing and proration unit comprising the NE/4 of Section 15.

It is our understanding that during drilling operations, significant deviation was encountered and the resulting wellbore survey showed the bottomhole location of this well at a depth of 5,298 feet (MD) to be approximately 151 feet from the North line and 736 feet from the East line (Unit A) of Section 15. At this time Bois d'Arc Offshore, Ltd., through its agent, Synergy Operating, LLC, seeks to amend Division Administrative Order NSL-4648 to: (i) accept the wellbore directional survey for this well; (ii) reflect the subsurface locations of the wellbore within both the wildcat Dakota and Mesaverde (Menefee) intervals; and (iii) include the wildcat Mancos formation within the provisions of this order.

Amended Administrative Order NSL-4648

Synergy Operating, LLC

February 19, 2002

Page 2

This request been duly filed under the provisions of Division Rules 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and Division Rule 111.C (2).

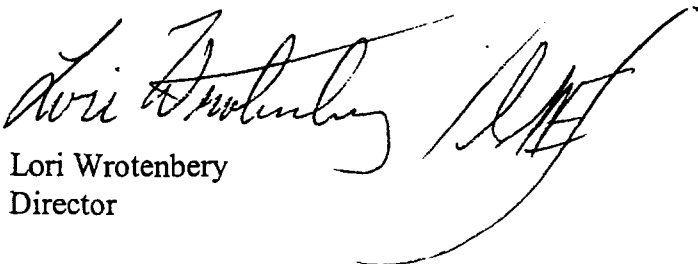
From the submitted information it is understood that the maximum deviation of this wellbore occurred at the aforementioned bottomhole location found at 5,298 feet (MD) and that the wellbore intersected: (i) the top of the Mesaverde interval at an approximate depth of 1,271 feet at a point approximately 195 feet from the North line and 789 feet from the East line of Section 15; (ii) the top of the Mancos interval at an approximate depth of 3,005 feet at a point approximately 175 feet from the North line and 764 feet from the East line of Section 15; and (iii) the top of the Dakota formation at an approximate depth of 4,881 feet at a point approximately 157 feet from the North line and 742 feet from the East line of Section 15.

By the authority granted me under the provisions of Division Rule 104.F (2), Division Administrative Order NSL-4648, dated September 28, 2001, is hereby amended to properly reflect the actual subsurface path of the Bois d'Arc Encino "15" Well No. 1, as described above, with respect to the: (i) Mesaverde formation; (ii) Dakota formation; and (iii) bottomhole location at 5,298 feet (MD). All other provisions of Order NSL-4648 not in conflict with this change shall remain in full force and effect until further notice

Furthermore, the above-described unorthodox subsurface location in the Mancos formation within the NE/4 of Section 15, being a standard 160-acre gas spacing and proration unit for this interval, is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: NSL-4648

Basic Application and Log In Data

Application No. pKRV0136544894	Application Type Non-Standard Location	Order No. 4648	Amid 1	R-Order No.	County McKinley	Approvals BLMP <input checked="" type="checkbox"/>
Applicant SYNERGY OPERATING LLC				02/19/2002	Reviewer Stogner	
Contact Thomas E. Mullins				01/14/2002	District Aztec	Farmington
Notes				02/04/2002	Issuing Off Santa Fe	SLO? <input type="checkbox"/>
				Add'l CC		

Permit Level Actions and/or Data

Event ID	Event Type	Event
2/19/2002 8:31:11 AM	Permit Issued	
1/14/2002	Logged In	
12/18/2001 12:28:15 PM	Other Event or Action - See Comment	Complete application received.
		Initial partial application filed.

Well Specific and Technical Data