

Synergy Operating LLC
 Authorization for Expenditure

EXHIBIT #3
 AFE - WELL COST ESTIMATE

Beck 29-12-10 #108
 Drill, complete & equip 1800' Fruitland Coal & Pictured Cliffs test well

Location: T29N-R12W, Sec 10, U/L N County: San Juan State: NM

Jean J. Bleakley Trust Your Interest: 1.296331%

FACILITY COSTS	Gross Amount	Your Share
Installation	14,000.00	181.49
Buildings/Noise	1,000.00	12.96
Contract Services	12,000.00	155.56
TOTAL Facility Costs	27,000.00	350.01

INTANGIBLE COMPLETION	Gross Amount	Your Share
Completion Rig	10,000.00	129.63
Stimulation Treatments	100,000.00	1,296.33
Completion Fluids	6,000.00	77.78
Trucking	8,000.00	103.71
Equipment Rentals	4,000.00	51.85
Logging & Perforating	12,000.00	155.56
Completion Supervision	4,000.00	51.85
Water to Disposal	2,000.00	25.93
Air Package &	5,000.00	64.82
Flowback Iron	4,000.00	51.85
Portable Toilet	500.00	6.48
TOTAL Intangible Completion	155,500.00	2,015.79

INTANGIBLE DRILLING	Gross Amount	Your Share
Site Access - Survey & Staking	2,000.00	25.93
Site Access -	10,000.00	129.63
Rig Mobilization	3,000.00	38.89
Drilling - Footage	46,000.00	596.31
Mud & Additives	4,000.00	51.85
Water to Rig Pit	4,000.00	51.85
Equipment Rental	3,000.00	38.89
Openhole Logging	4,000.00	51.85
Drilling Supervision	4,000.00	51.85
Cementing - Drilling	21,000.00	272.23
BOP Rental	3,000.00	38.89
Safety Svc/BOP Testing	1,500.00	19.44
Anchors Sets & Test	1,000.00	12.96
Casing Crew	3,000.00	38.89
TOTAL Intangible Drilling	109,500.00	1,419.48

TANGIBLE COMPLETION	Gross Amount	Your Share
Production Casing & Accessories	20,000.00	259.27
Upper Wellhead	3,000.00	38.89
Tubing	9,000.00	116.67
TOTAL Tangible Completion	32,000.00	414.83

TANGIBLE DRILLING	Gross Amount	Your Share
Surface Casing & Wellhead	4,000.00	51.85
	1,000.00	12.96
TOTAL Tangible Drilling	5,000.00	64.82

TANGIBLE EQUIPPING	Gross Amount	Your Share
Sucker Rods &	8,000.00	103.71
Valves & Fittings	13,000.00	168.52
Downhole Pump	4,000.00	51.85
Pumpjack & Base	18,000.00	233.34
Flowline	30,000.00	388.90
Separators	10,000.00	129.63
Storage Tanks	10,000.00	129.63
Engines & Motors	8,000.00	103.71
Metering Equipment	10,000.00	129.63
Noise Abatement	2,000.00	25.93
TOTAL Tangible Equipping	113,000.00	1,464.85
TOTAL COST ESTIMATE	442,000.00	5,729.78

Date: October 16, 07
 Accepted By: Jean J. Bleakley TTEE
 Signature
Jean J. Bleakley TTEE
 Print Name

**SIGN & RETURN
 THIS COPY**