

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 PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
Synergy Operating, LLC

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

4. Well Location
Unit Letter K : 1650' feet from the South line and 1850' feet from the West line
Section 9 Township 31N Range 13W NMPM County: San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Reserve-Lined Depth to Groundwater > 100' Distance from nearest fresh water well > 1000' Distance from nearest surface water > 1000'

Pit Liner Thickness: 12+ mil Below-Grade Tank: Volume bbls; Construction Material

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input 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 checked="" type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input 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 OPERATING, LLC HAS ACQUIRED OPERATIONS OF THE SUBJECT WELL FROM BENSON-MONTIN-GREER DRILLING CORPORATION. SYNERGY WILL TAKE RESPONSIBILITY FOR USE AND CLOSURE OF THE RESERVE PIT.

SYNERGY PLANS TO PERFORM THE FOLLOWING REMEDIAL WORK ON THE SUBJECT WELL WITH A WORKOVER RIG IN THE NEXT 30 DAYS.

- # 1 CLEAN OUT FILL FROM 6390' TO 6490'
- # 2 REMOVE THE PKR AND TUBING (FISH) AT 6490'
- # 3 CLEAN OUT THE WELL TO PBTD OF 6874'
- # 4 RUN AND CEMENT A STRING OF 2-7/8" 6.5# J-55 PRODUCTION CASING INSIDE THE 5-1/2" PRODUCTION CASING TO 6500'. CEMENT STRING TO SURFACE.
- # 5 RU COILED TUBING UNIT. CLEANOUT WELL TO PBTD OF 6874'.
- # 6 RUN A SIPHON STRING OF 1" OR 1-1/4" TUBING INSIDE THE 2-7/8" PRODUCTION TUBING
- # 7 RETURN THE WELL TO PRODUCTION

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 05-08-2006
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: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE MAY - 9 2006
Conditions of Approval (if any):

Notify OCD 24 Hr Notice to witnesses

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Synergy Operating, LLC
PO Box 5513
Farmington, NM 87499
(505) 325-5449 – general
(505) 566-3750 - fax

DIRECTIONS TO

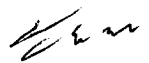
A Gross # 1
Dakota Producer
SW/4 of Section 9 – T31NR13W

Coming From Farmington:

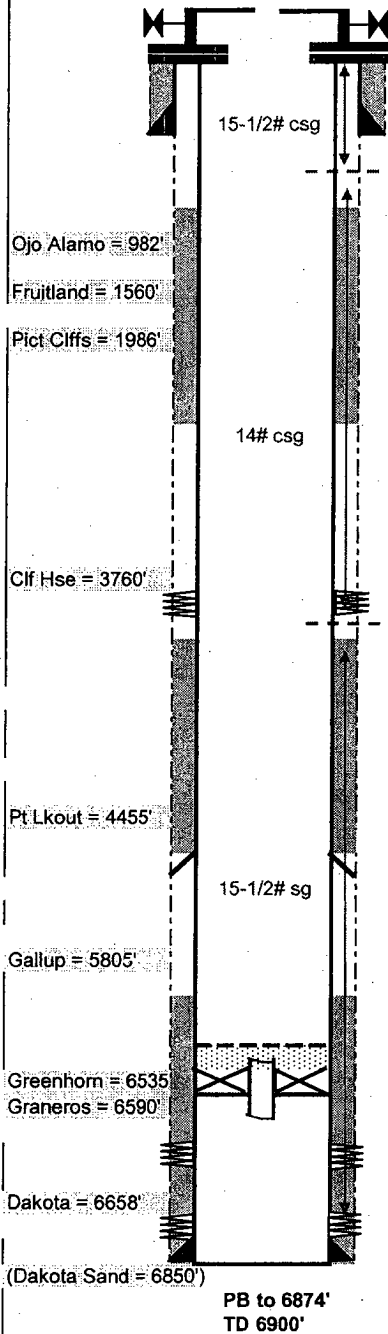
From the intersection of 30th Street/Twin Peaks By-Pass and the LaPlata Hwy (Hwy 170) Turn North on the LaPlata Hwy and travel approximately 0.3 miles past the 12-Mile Marker (12.3 MM). Turn left (West) on the County Road 1424 (Just past the Phillips 66 Gas Station & Convenience Store). Travel 0.9 miles West on the graveled road until it tees, turn right (North) onto Road 1191 and travel 0.7-Miles North. Turn left (West) at Address Marker 355 (Marked with small reflective numbers on a T-Post, there are also a number of mail boxes here, one displaying the name RICKER-GAINES in bold letters). Travel West (up the hill) another 0.2 Miles to the location, passing a large house with a green metal roof on your right/north side.

All roads into the location are graveled all-weather roads.

Questions or lost, please call (505) 320-1751



After Schlumberger Squeeze



Spud: 6/26/61

B-M-G DRILLING CORP., INC.
Gross #1-9 API #30-045-10894
1650' FSL-1850' FWL, SEC 9-T31N-R13W

10-3/4" 32-3/4 # H-40 csg @ 176' W/ 150 sx cmt

820'

GL = 5862', KB = 5874'

(All depths referenced to KB unless otherwise noted)

TOC 917', Blue Jet CBL, 4/18/06

Cum. Oil: 1719 BBL OIL

Cum. Gas: 215,501 MCFG

Cum. Wtr: 332 BBL WTR

IP = 1855 MCFD (all Dakota zones)

4/7/2006: Casing annulus pressure tested surf - 2260'.

Btm Cement 2310', Blue Jet CBL, 4/18/06

4/12/2006: Set composite plug @ 4250', perf sqz holes 4110-14' (2spf), set CR @ 2244' Schlumberger sqz 360 sx Litecrete 11.4 #/gal. Drilled out and found bottom of cement @ 2320'. Ran Blue Jet Casing Insp Log & found numerous holes between 2310' - 4187', decided to P&A well.

4186'

TOC 4187' (2nd Stage), Blue Jet CBL, 4/18/06

4/7/2006: Casing annulus pressure tested 4225' - 6390'

Stage Collar @ 4800', cemented w/150 sx

TOC 6105' (1st Stage), Blue Jet CBL, 4/18/06

4/18/2006: T/of Fill @ 6364'

4/3/84: Set 5-1/2" Model R packer @ 6499'

5/9/03: Attempt to unseat packer, PU w/40,000#, packer would not unseat
Chemical cut 2-3/8" MT tbg @ 6490',

7-7/8" hole to 6900'; 5-1/2" 15-1/2# csg @ 820', 5-1/2" 14# csg 820 - 4186',
5-1/2" 15-1/2# csg 4186-6897'; cement 1st Stage w/125 sx cmt,

7/22/61: Perf 6664-6744'; Sandwater frac, no reported treatment volumes
Drilled BP @ 6780', commingled all zones;

7/21/61: Perf 6794-6802', 6856-6864'; Sandwater frac, no reported treatment volumes
set BP @ 6780', frac'ed upper Dakota perfs

rev - jmh 4/19/06

5-8-06