

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to  
appropriate NMOC District Office.  
For downstream facilities, submit to Santa Fe  
office

**Pit or Below-Grade Tank Registration or Closure**

RCVD DEC7'06

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

OIL CONS. DIV.

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Synergy Operating, LLC (OGRID #163458) Telephone: (505) 325-5449 e-mail address: gpapp@synergyoperating.com DIST. 3

Address: P.O. Box 5513, Farmington, NM 87499

Facility or well name: Duff 29-11-8 #104 API #: 30-045-33350 U/L or Qtr/Qtr D Sec 8 T 29N R 11W

County: San Juan Latitude 36-Deg, 44-Min, 41.5-Sec Longitude 108-Deg, 01-Min, 15.4-Sec AD: 1927 ☐ 1983 ☒

Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

**Pit**

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12+ mil Clay ☐

Pit Volume 2000 bbl

**Below-grade tank**

Volume: bbl Type of fluid:

Construction material:

Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 133'

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

**Ranking Score (Total Points)**

**0-Points**

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

A drilling reserve pit to contain fresh water drilling fluids and cuttings was constructed as per the Nov 1, 2004 NM-OCD Pit and Below-Grade Tank Guidelines. The reserve pit will was emptied of liquids, then the liner was cut-off at the mud line and back-filled on August 14 - 15, 2006 as per the Nov 1, 2004 NM-OCD Pit and Below-Grade

Tank Guidelines. See APD for cut & fill diagrams.

Attachment Enclosed.

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

Date: 12-6-06

Printed Name/Title Glen O. Papp

Signature

Your certification and NMOC District approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

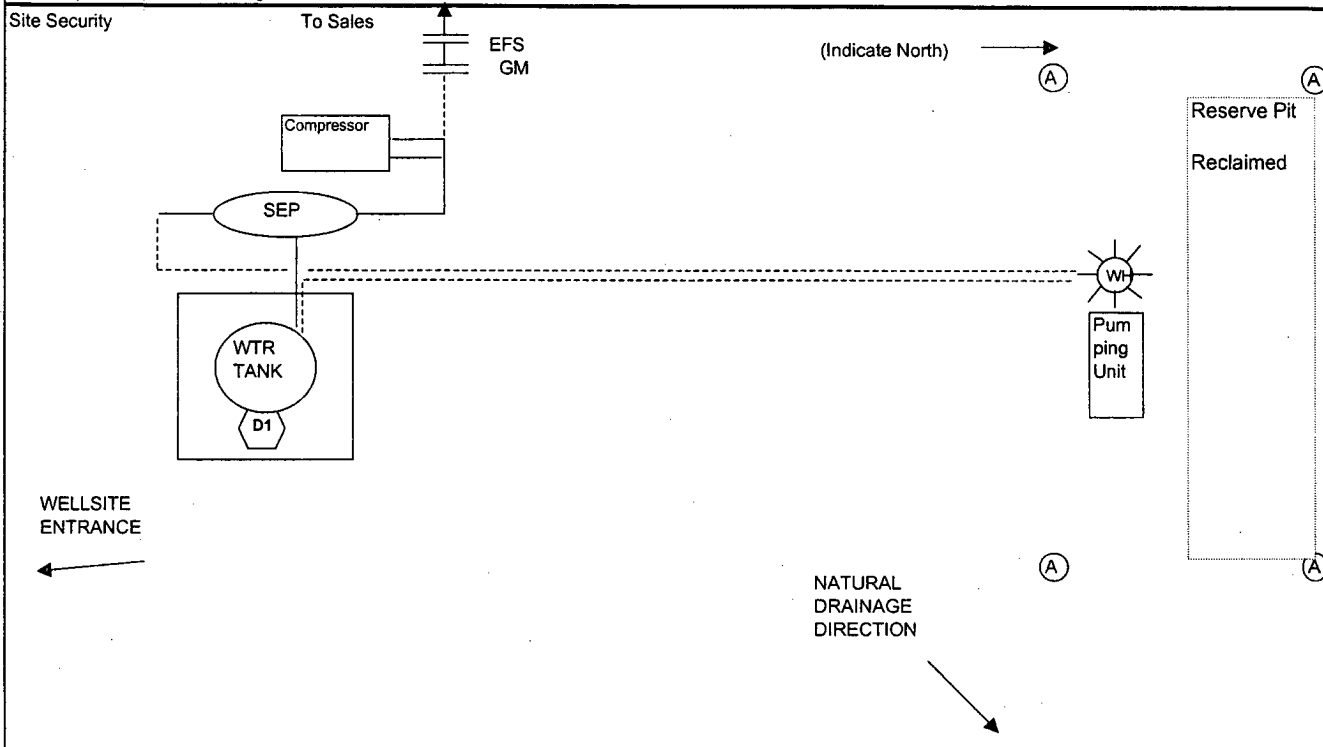
Printed Name/Title DEPUTY OIL & GAS INSPECTOR, DIST. 3

Signature

Date:

DEC 07 2006

Lease Name: Duff 29-11-8 #104 Company: Synergy Operating Date: 08/15/06  
Field Operator: Darrell Bays Phone Number: 505-320-2322



Lease Name: Duff 29-11-8 #104  
Federal / Indian / State / Fee No: NMNM-03877  
API No: 30-045-333350  
C / A No: ?????  
Unit Letter: D Well Footages: 955' FNL 885' FWL  
Legal Description (SEC, TNSHP, RNG): Sec. 8, T29N, R11W  
Latitude: 36°, 44', 41.5" N Longitude: -108°, 01', 15.4" W  
County, ST.: San Juan Co., New Mexico  
Producing Zone(s): Basin Fruitland Coal

Sales valves : NA  
Sealed Closed during Production

Drain valves : NA  
Sealed Closed during Production

This lease is subject to the site security plan for  
Synergy Operating. The plan is located at:

Synergy Operating, LLC  
5101 College, Suite 5055  
Farmington, NM