



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 5, 2003

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

2nd AMENDED Administrative Order NSL-4648

Dear Mr. Mullins:

Reference is made to the following: (i) your application for a second amendment to Division Administrative Order NSL-4648, dated February 24, 2003, on behalf of the operator, Bois d'Arc Offshore, Ltd. (*application reference No. pMES0-306452098*); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Aztec and Santa Fe, including the file on Division Administrative Order NSL-4648, as amended.

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. By an administrative order issued on February 19, 2002, this order was amended to properly reflect the actual subsurface path of the Bois d'Arc Encino "15" Well No. 1.

Your request to include the Menefee formation (WC 20N5W15 – 97258) for oil production within a standard 40-acre oil spacing and proration unit comprising the NE/4 NE/4 (Unit A) of Section 15 has 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).

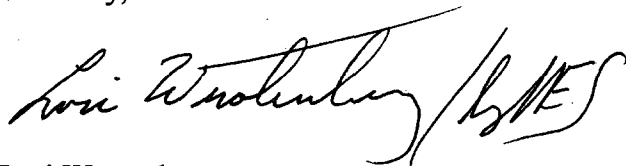
It is understood that the wellbore intersected: (i) the top of the Menefee interval at a depth of 1,977 feet at a point approximately 187 feet from the North line and 772 feet from the East line of Section 15; and exited the base of the Menefee formation at a depth of 2,851 feet at a point approximately 180 feet from the North line and 765 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, as amended by order dated February 19, 2002, is hereby amended a second time to properly reflect the actual subsurface path of the Bois d'Arc Encino "15" Well No. 1, as described above, with respect to the Menefee formation. All other provisions of Order NSL-4648, as amended, not in conflict with this change shall remain in full force and effect until further notice

Furthermore, the above-described unorthodox subsurface oil well location in the Menefee formation within the NE/4 NE/4 of Section 15, being a standard 40-acre oil 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,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery / LWMES".

Lori Wrotenbery
Director

LW/MES/kv

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