



Synergy Operating, LLC

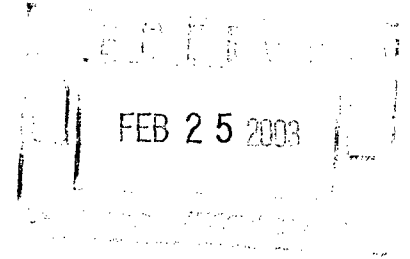
~~PMESD-306452098~~
PMESD-306452098

AMEND NSL 3/12/03
PO Box 5513
Farmington, NM 87499
(505) 325-5449
Fax (505) 325-6585

MS

February 24, 2003

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



RE: Ammended NSL
Bois d' Arc Encino 15 # 1
WC 20N05W15; Menefee Oil

Dear Mr. Stogner,

Please find attached the following information requesting a change in the wildcat pool designation for this well. According to Steve Hayden of the Aztec Office, the new pool designation would be WC 20N5W15; Menefee Oil, with 40 acre spacing.

The NMOCD has approved the Ammended NSL-4648 on February 19, 2002, which included the Dakota, Mancos, and Mesaverde formations for wildcat 160 acre gas well spacing.

Based upon the minimal amount of gas produced, barely enough to run the rod pump jack equipment (1 to 2 MCFD), and the greater amount of oil production 5 to 7 BOPD, the NMOCD suggested that Synergy submit this well for oil well spacing approval.

We have been rod pump production testing the well to the stock tanks from the Menefee, since November 12, 2002, in the hope that the gas production would increase and qualify this well as a gas producer. The gas production has not increased to date.

We believe that this well, and our other wildcat Menefee 160 acre wildcat gas wells should be reclassified to 40 Acre wildcat oil well spacing. These production test rates demonstrate that this 40 acre spacing change is more appropriate to meet historical NMOCD oil production spacing.

Given that this well is at a non-standard surface location for 160 acres, and was approved, Synergy respectfully requests your assistance in obtaining the approval for the non-standard 40 acre wildcat oil well spacing per the Aztec Division Office.

I have attached a modified surface plat to demonstrate the well is a 40 acre non-standard wildcat oil well. I have also included copies of the previously submitted completion reports on the well.

Synergy will file the appropriate MMS production reports to accurately reflect the new spacing and the hydrocarbon production from this well upon your direction. We

currently have 400 bbls of oil in our production tanks that we wish to sell to Giant, to take advantage of the current high prices.

Synergy will be submitting the 2nd Meneffe test well, the Divide 22 # 1, for change of pool/change of spacing approval in the immediate future.

We appreciate your assistance in obtaining the approval of the C-104, in order to transport our oil. If there is any additional paperwork or correspondence that is required, please advise me directly at (505) 566-3725.

Best regards,

A handwritten signature in black ink, appearing to read 'T. E. Mullins', written in a cursive style.

Thomas E. Mullins
Engineering Manager

tem

cc: Steve Hayden - NMOCD Aztec District Office
1000 Rio Brazos Road
Aztec, NM 87410

From: "Hayden, Steven" <SHAYDEN@state.nm.us>
To: "Tom Mullins (E-mail)" <mullinst@cyberport.com>
Subject: Menefee well
Date: Wed, 19 Feb 2003 13:32:26 -0700
X-Mailer: Internet Mail Service (5.5.2653.19)
X-RBL-Warning: REVDNS: This E-mail was sent from a MUA/MTA 164.64.5.6 with no reverse DNS entry.
X-Declude-Sender: SHAYDEN@state.nm.us [164.64.5.6]
X-Note: This E-mail was scanned by Declude JunkMail (www.declude.com) for spam.
X-Spam-Tests-Failed: REVDNS [1]
X-RCPT-TO: <mullinst@cyberport.com>

Tom the new pool is: WC 20N5W15; Menefee Oil. Spacing is statewide oil spacing: 40 acres, 330 feet from boundaries.

<<...OLE_Obj...>>
Steve Hayden <shayden@state.nm.us>
NM OCD District III 505-334-6178 ext 14
1000 Rio Brazos Rd Fax: 334-6170
Aztec, NM 87410

P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

INSTRUCTIONS ON BACK
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-031-21008		*Pool Code	*Pool Name WCZON05W15 MENEFEE OIL
*Property Code	*Property Name ENCINO 15		*Well Number 1
*OGRID No. 163458	*Operator Name BOIS d' ARC Offshore, Inc.		*Elevation 6725

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	20-N	5-W		250	NORTH	920	EAST	MCKINLEY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	20N	5W		151	NORTH	736	EAST	MCKINLEY

*Dedicated Acres	*Joint or Infill	*Consolidation Code	*Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

RECEIVED 2001 AUG -3 PM 4:28 070	QTR. CORNER FD. GLO BC 1936	N 89-57-21 W 2624.8'	920'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Thomas E. Mullins</u> Printed Name Title <u>Engineering Manager</u> Date <u>8-2-2001</u>	
	LAT. 35°58'13" N LONG. 107°20'51" W	392'	SEC. CORNER FD. GLO BC 1936		N 00-01-00 E 2640' (GLO)
	15	1070'			
		15	CALC'D CORNER CAP DESTROYED	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey <u>5-1-01</u> Signature and Seal of Professional Surveyor <u>ROY A. RUSH</u> 8894 Certificate Number	

AMENDED 2-19-2003
AE



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2/22/02

GARY E. JOHNSON
Governor
Betty 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).

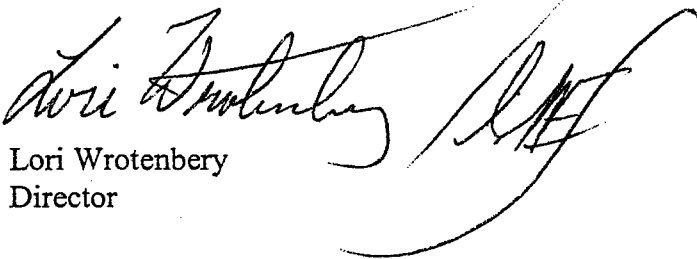
From the submitted information it is understood that the maximum deviation of this wellbore occurred at the aforementioned bottomhole location found at 5,298 feet (MD) and that the wellbore intersected: (i) the top of the Mesaverde interval at an approximate depth of 1,271 feet at a point approximately 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

SUBMIT IN DUPLICATE
(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK
OIL WELL ☐ GAS WELL ☒ DRY ☐
1b. TYPE OF WELL
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☒ DIFF. RESER. ☐ Other ☐
2. NAME OF OPERATOR
Synergy Operating, LLC
3. ADDRESS AND TELEPHONE NO.
PO Box 5513, Farmington, NM 87499 (505) 325-5449
4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)
At Surface Unit Letter A, 250' FNL, 920' FEL, Sec 15, T20N - R05W
At top prod. Interval reported below
At total depth 151'FNL, 736'FEL, Unit A, Sec 15, T-20N, R-5W

5. LEASE DESIGNATION AND SERIAL NO.
NMNM-99720
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME, WELL NO.
Bois d' Arc Encino 15 # 1
9. API WELL NO.
30-031-21008
10. FIELD AND POOL OR WILDCAT
WC 20N05W15A (MV)
11. SEC., T., R., M. OR BLOCK AND SURVEY
OR AREA
SEC 15, T-20N, R-5W
12. COUNTY OR PARISH
McKinley
13. STATE
New Mexico

14. PERMIT NO. DATE ISSUED
15. DATE SPUDDED 11-12-2001 16. DATE T.D. REACHED 11-30-2001 17. DATE COMPL. (Ready to prod.) 11-12-02 18. ELEVATIONS (OF, RKB, RT, OR, ETC.)* 6725' GL (11' KB) 19. ELEV. CASINGHEAD 6726'
20. TOTAL DEPTH, MD & TVD 5298' MD 5287' TVD 21. PLUG BACK T.D., MD & TVD 3950' MD 3940' TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY Aztec # 507 ROTARY TOOLS CABLE TOOLS
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*
Menefee 2778' - 2826'
25. WAS DIRECTIONAL SURVEY MADE Yes
26. TYPE ELECTRIC AND OTHER LOGS RUN GR, SP, IND, NEU, DENSITY, Caliper, Microlog - Schlumberger 27. WAS WELL CORED No

23. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" J-55	24#	241'KB	12-1/4"	Surface, 206 sxs-286 ft3	
5-1/2" J-55	15.5#	5289'KB	7-7/8"	1st 194 sxs - 394ft3-4325' TOC	
		DV@3024'		2nd 295 sxs - 617ft3-2970' TOC	
				SQZ CMT to surface	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	3305'	none

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
INTERVAL	SIZE	NUMBER		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2778' - 2826'	0.34"	12		2778' - 2826'	30,700 lbs of 20/40 & 38,976 gal. 70Q Nitrogen Foam

33.*
DATE FIRST PRODUCTION 11-12-02 PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Rod Pumping Equipment WELL STATUS (Producing or shut-in) Testing
DATE OF TEST 11-12-02 HOURS TESTED 12 CHOKE SIZE n/a PROD. FOR TEST PERIOD 0 OIL-BBL. 0 GAS-MCF. 0 WATER-BBL. 50 GAS-OIL RATIO
FLOW. TUBING PRESS. 10 psi CASING PRESSURE 10 CALCULATED 24-HOUR RATE 0 OIL-BBL. 0 GAS-MCF. 100 WATER-BBL. n/a OIL GRAVITY-API (CORR.)
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Used for Fuel TEST WITNESSED BY

35. LIST OF ATTACHMENTS
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED [Signature] TITLE ENGINEERING MANAGER FARMINGTON FIELD OFFICE
DEC 06 2002
ACCEPTED FOR RECORD

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Fruitland	485'	590'	Mud Log Gas Shows	Nacimiento	Surface	Surface
Pictured Cliffs	590'	924'	Mud Log Gas Shows	Ojo Alamo	135	133
Menefee	1977'	2851'	Mud Log Gas Shows in Coal Seams & Sands	Kirtland	245	241
Gallup Formation (Mancos)	4028'	4119'	Mud Log Gas Shows, Lost Circulation Zone	Fruitland	485	481
	4030'	4150'	Completed and Production Tested. Uneconomical	Pictured Cliffs	590	585
Dakota	4881'	5245' (PBTD)	Porous Sand. Swab Tested. 200 bbls water	Lewis Shale	924	916
				Chacra	969	961
				Cliffhouse (La Ventana)	1271	1261
				Menefee	1977	1967
				Pt. Lookout	2851	2841
				Mancos	3005	2995
				Semilla SS, Mancos	3814'-3881'	3804'-3871'
				Juana Lopez SS, Mancos	3889	3879
				Gallup Formation	4028'-4119'	4027'-4109'
				Greenhorn	4794	4783
				Dakota	4881	4869

from Survey Report
contained in file for NSL-4648

$$\textcircled{1} 1977' \approx 63'N + 147.9'E @ 1967' =$$

$$\textcircled{2} 2851' \approx 70'N + 154.9'E$$

$$\begin{array}{r} 850 \\ - 70 \\ \hline 780 \end{array} \quad \begin{array}{r} 816 \\ - 155 \\ \hline 661 \end{array}$$

$$\textcircled{1} 180' ENL + 765' FEL$$

$$\textcircled{2} 2467' \rightarrow 67'N + 151.9'E$$

$$\textcircled{3} 2983' \rightarrow 71'N + 155.9'E$$

$$\Delta 516' \rightarrow 4'N + 4'FEL$$

$$\begin{array}{r} 141 \\ 850 \\ - 63 \\ \hline 187' ENL \end{array} \quad \begin{array}{r} 816 \\ - 148 \\ \hline 668' FEL \end{array}$$

1/22

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 OARID # 163468
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

FORM APPROVED

Budget Bureau No. 1004-0135

Expires March 31, 1993

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

WC 20N05W15A
Undesignated Mesaverde

11. County or Parish, State

McKinley County
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.

11-07-02 to 11-12-02

Perforate Menefee Coal intervals btm-up from 2778' to 2826' (12 holes total).

Stimulate Menefee w/ 30,700 lbs, 20/40 Super LC & 38976 gals 70Q Foam.

Recover 299 bbls fluid, 5 bbls over load. Well Logged off. SI for build-up, and attempt to continue Flowback.

Test pump to 500 psi. Good.

Well is producing on Rod pump to production tanks from Menefee at 12:30 hrs on 11-12-02.

Please see the attached sheet for additional detail.

CONFIDENTIAL INFORMATION

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

Signed:

Thomas E. Mullins

Title: Engineering Manager

Date: 11-15-2002

This space for federal or state office use

Approved by:

Conditions of approval if any

Title:

Date:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction

DEC 13 2002

OPERATOR

ENCINO 15 # 1 DETAIL REPORT

- 11/07/02 Repair Access Road to location. SICP = 600 psi on Mancos. Shut-in since 07-28-02. Safety Meeting. MIRU Key Energy Rig # 17 from the Divide 22 # 1. Spot Rig & Auxillary Equipment. Raise Derrick. COOH w/ 3/4" rods & pump. ND WH. NU BOPE. Tally out w/ 135 Jts 2-7/8" Tubing. GIH w/ 5-1/2" Baker Cement Retainer. Set retainer @ 3950'. Sting out. Circulate hole to Flowback Tank. PT Casing to 700 psi. Okay. COOH w/ setting tool on 2-7/8". RU Blue Jet. RIH w/ 3-1/8" HSC gun. Perforate Meneffe Coal Intervals btm-up from 2778' to 2826' (12 holes total). Close Blinds. Secure location.
- 11/08/02 Meneffe SICP = zero. GIH w/ SAP Tool 6' Spacing. Get on depth w/ Stage tool. Set PKRs. Test BJ 5000#, Test Tubing & PKRs to 3500#. Move to Lower Coal 2822'-2826'. Inject 20 bbls @ 2.1 BPM 1100#. ISIP 540. Move to middle Coal 2790'-2794'. Inject 3 bbls, communicate w/ upper perms. Double check depths. Retest PKRs on blank Pipe. Okay. 2.1 BPM @ 910 psi. ISIP 570#. Move to Upper Coal 2778'-2782'. Inject 20 bbls 2.1 BPM 945 psi. ISIP 560. COOH w/ SAP tool. Rig Delays. GIH w/ 5-1/2" Fullbore PKR on 2-7/8". Set PKR @ 2640'. NU Immediate Flowback Valves and Flowback Manifold with 2 choke lines. Secure Location. Weather is raining. Will have blade to assist Frac crew arrival in the morning.
- 11/09/02 SITP = zero. MIRU BJ Services. SM. Test Lines. Stimulate Meneffe Interval from 2778'-2826', w/ 30,700 lbs 20/40 Super LC proppant, in 38,976 gals 70 Q Nitrogen Foam at 25 BPM, 2580 ATP. Begin Immediate flowback to tank. Flowback after stimulation on 1/4" & 1/2" Chokes. Recover 299 bbls fluid, 5 bbls over load. Well Logged off. SI for build-up, and attempt to continue Flowback. Plan to release & pull PKR on Monday AM. Heavy Rains, roads muddy.
- 11/10/02 Heavy Rains. Shut-in well @ 07:00 hrs. 4.5 hr build-up to 70 psi @ 11:30 hrs. Blow down to zero. SI. Secure well until Monday Morning. Total Recovery is 5 bbls over load, 299 bbls. Plan to place on Rod Pump on Monday Evening.
- 11/11/02 SITP = 90 psi. Blow down. ND Immediate Flowback. Equalize & Release PKR @ 3640'. COOH. RU B&R Services, Slickline and Protechnics Post-Frac GR tool. Log Across entire stimulated interval. RD B&R. GIH w/ BHA to rod pump. LD 20 additional unneeded jts. Land tubing @ 3305', SN @ 3273' (102 Jts). ND BOPE. RD Floor. NU Pumping Tee, etc. GIH w/ 42 -3/4" sucker rods. LD same on trailer. Secure well until Tuesday AM. Probable Move on Wednesday.
- 11/12/02 Crew had Safety Meeting in Farmington at 6:00 hrs. SITP=SICP= zero. RIH w/ New 1-1/2" pump, 1" Sinker Bar, 18 - Reg 3/4" Rods, & 112 - Guided 3/4" Rods. Space Out pump. Install Polish Rod. NU Head, Hang on Pump. Test pump to 500 psi. Good. Continue Rig down of equipment for Wednesday AM move. Monitor pump action overnight. Well is producing on Rod pump to production tanks from Meneffe at 12:30 hrs on 11-12-02. Probable Move on Wednesday.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised February 10, 1994

Instructions on back
Submit to Appropriate District Office
5 Copies

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Synergy Operating, LLC P.O. Box 5513 Farmington, NM 87499		² OGRID Number 163458
		³ Reason for Filing Code NW - AO
⁴ API Number 30-031-21008	⁵ Pool Name WC 20N05W15; Menefee Oil	⁶ Pool Code WC 20N05W15; Menefee Oil
⁷ Property Code	⁸ Property Name Bois d' Arc Encino	⁹ Well Number 15 # 1

II. ¹⁰ Surface Location

UI or lot no. A	Section 15	Township 20N	Range 5W	Lot Idn	Feet from the 250	North/South Line North	Feet from the 920	East/West Line East	County McKinley
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¹¹ Bottom Hole Location

UL or lot no. A	Section 15	Township 20N	Range 5W	Lot Idn	Feet from the 151	North/South Line North	Feet from the 736	East/West Line East	County McKinley
¹² Lse Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date Fuel-Venting	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID 9018	¹⁹ Transporter Name and Address Giant Crude Oil Purchasing 5784 US Highway 84 Bloomfield, N.M. 87413	²⁰ POD	²¹ O/G O	²² POD ULSTR Location and Description A Sec. 15- T20N - R5W, Production Tanks 2 - Oil 300 bbl Tanks

IV. Produced Water

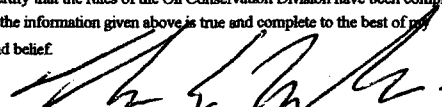
²³ POD	²⁴ POD ULSTR Location and Description A Sec 15 - T20NR05W, Production Tanks, 2 - Water 300 bbl Tanks
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V. Well Completion Data

²⁵ Spud Date 11/12/01	²⁶ Ready Date 11/12/02	²⁷ TD 5287	²⁸ PBTD 3940	²⁹ Perforations 2778' to 2826'
³⁰ Hole Size 12-1/4"	³¹ Casing & Tubing Size 8-5/8" J-55	³² Depth Set 241' KB	³³ Sacks Cement Surface, 206 sxs -286 ft3	
7-7/8"	5-1/2" J-55	5289' KB	1st 194 sxs-394ft3-4325' TOC	
		DV@3024'	2nd 295 sxs-617ft3-2970' TOC	
			SQZ CMT to surface	

VI. Well Test Data

³⁴ Date New Oil 11/12/02	³⁵ Gas Delivery Date Venting	³⁶ Test Date 11/12/02	³⁷ Test Length 12 hrs.	³⁸ Tbg. Pressure 10 psi	³⁹ Csg. Pressure 10
⁴⁰ Choke Size n/a	⁴¹ Oil Trace	⁴² Water 50 bbl	⁴³ Gas 0	⁴⁴ AOF	⁴⁶ Test Method Pumping

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 	OIL CONSERVATION DIVISION
Printed name: Thomas E. Mullins	Approved by:
Title: Engineering Manager	Title:
Date: 2/24/2003	Approval Date:
Phone: 505-566-3725	

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator				02/24/03
Previous Operator Signature	Printed Name	Title	Date	

ORIGINALS SENT TO
AZTEC OFFICE