

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM99735

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		8. Well Name and No. SYNERGY 21-7-7 131
2. Name of Operator SYNERGY OPERATING, LLC Contact: GLEN PAPP E-Mail: gpapp@synergyoperating.com		9. API Well No. 30-043-21023-00-S1
3a. Address FARMINGTON, NM 87499	3b. Phone No. (include area code) Ph: 505-599-4908 Ext: 1582 Fx: 505-599-4900	10. Field and Pool or Exploratory Area BASIN FRUITLAND COAL
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T21N R7W SENE 1495FNL 1000FEL 36.069525 N Lat, 107.611893 W Lon		11. County or Parish, State SANDOVAL COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Synergy Operating LLC plans to plug and abandon the subject well.

Attached are the follow documents:

- 1) Wellbore plugging plan
- 2) Reclamation plan

**Notify NMOCD 24hrs
Prior to beginning
operations**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #519483 verified by the BLM Well Information System For SYNERGY OPERATING, LLC, sent to the Farmington Committed to AFMSS for processing by JOE KILLINS on 06/22/2020 (20JK0693SE)	
Name (Printed/Typed) THOMAS MULLINS	Title ENGINEERING MANAGER/PARTNER
Signature (Electronic Submission)	Date 06/18/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>ENGINEER</u>	Date <u>07/28/2020</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>Farmington</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

AV

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of Intention to Abandon

Well: 131 SYNERGY 21-7-7

API: 30-043-21023-00-S1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. If casing fails to test contact BLM Engineering. No changes are to be made to this approved Sundry without prior approval from the BLM.
4. A Subsequent Report Sundry Notice (Form 3160-5) must be submitted within 30 days after plugging operations are complete.

**BLM FLUID MINERALS
Geologic Report**

Date Completed: 7/16/2020

Well No.	Synergy 21-7-7 #131	Location	1495	FNL &	1000	FEL
Lease No.	NMNM-99735	Sec.	07	T21N		R07W
Operator	Synergy Operating	County	Sandoval	State	New Mexico	
Total Depth	861	PBTD	797	Formation	Fruitland Coal (target), Pictured Cliffs (TD)	
Elevation (GL)	6675	Elevation (KB)	6682			

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/Fresh water sands
Nacimiento Fm					Fresh water sands
Ojo Alamo Ss			Surface	134	Aquifer (fresh water)
Kirtland Shale			134	308	
Fruitland Fm			308	734	Coal/Gas/Possible water
Pictured Cliffs Ss			734	PBTD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

- Log analysis of reference well #2 (attached worksheet) indicates the Ojo Alamo sands investigated contain fresh water ($\leq 5,000$ ppm TDS).
- Plugging plan has entire casing filled with cement, which will protect fresh water sands in the well bore.
- Perforations @ 655'-675'. CIBP @ 632'.

Reference Well:

1) Same

Fm. Tops

2) M & M Production
Socorro 21-7-10 #34
330' FSL, 2200' FEL
Sec. 10, T21N, R07W
GL 6771', KB 6783'

Water
Analysis

Prepared by: Chris Wenman

Well Information:

Well Name & #:	Synergy 21-7-7 # 131
API #:	30-043-21023
Legal Location:	1495' FNL, 1000' FEL, Unit H, Section 7 – T21N-R07W, Sandoval County, NM
Latitude/Longitude:	36.06953 / -107.61188
Federal Lease #:	NMNM-99735
USGS Topo Map:	Lybrook SE
Drilling Spud date:	October 12, 2006
TD / PBTD:	861' / 797'
Surface Hole Size:	12-1/4"
Surface Casing:	8-5/8" 24# J-55 @ 134' Cmt'd w/ 105-sxs Type V cmt – Circ 7 bbls to surface
Production Hole Size:	7-7/8"
Production Casing:	5-1/2" 15.5# K-55 @ 857' Cmt'd w/ 114 sxs (234.8 ft3) Type 5 Lead and 50 sxs (66 ft3) Type 5 Tail Cement – Circulated 21 bbls to surface
Perforations:	Fruitland Coal: 655' to 675' (20') – 80 holes
Tubing in Hole:	None
Formation Tops (KB):	Kirtland @ 134', Fruitland @ 308', Pictured Cliffs @ 734'

Project Summary:

Synergy Operating, LLC ("Synergy") is the operator of the Synergy 21-7-7 # 131 well. A Fruitland Coal gas well. Synergy is submitting a Notice of Intent to Abandon (NIA) to the BLM to permanently plug and abandon the well and reclaim the surface disturbances.

No Cement Bond Log is planned to be run, due to all casing strings being cemented and circulated to surface.

Multiple Wells will be cemented to surface in a single day, utilizing 1" PVC tubing run (rigless) and cemented inside the 5-1/2" Production Casing. A rig will be required to remove the 2-7/8" tubing from the well. A Cast Iron Bridge Plug is currently set at 632', above the existing Perforations (655' to 675').

Two (2) previous Sundry Notices have been submitted on this well that have not been returned by the BLM. The first was submitted on July 29, 2019, and the second was submitted on 10/31/2019.

The NIA will be submitted on the Sundry Notices and Reports on Wells, Form 3160-5.

Proposed wellbore plugging procedure:

RIGLESS ABANDONMENT.

PERFORATIONS 655' TO 675'. PRESSURE TEST 5-1/2" CASING TO 550#. HOLD AND CHART 30 MINS. BLEED OFF PRESSURE.

RIH W/ 1" POLY PIPE AND TAG CIBP @ 632'. PULL UP. MIRU CEMENT PUMP TRUCK AND CIRCULATION TANK

MIX AND PUMP 15.04 BBLS CLASS G NEAT CEMENT AT 15.5 PPG (84.45 FT³ / 71.5 SXS @ 1.18 YIELD). FILLING ENTIRE CASING

WITH CEMENT TO SURFACE. CUT OFF WELLHEAD AND INSTALL ABOVE GROUND DRY-HOLE MARKER.

REMOVE ALL SURFACE EQUIPMENT AND TANK BATTERY. RIP LOCATION AND RECONTOUR PER BLM CONSULTATION.

RESEED SURFACE LOCATION AND SUBMIT FOR FINAL ABANDONMENT APPROVAL.

Wellbore diagrams:

Attached are simple wellbore schematics of the well before and after the above well work is completed.

SYNERGY # 131 P&A

SYNERGY 21-7-7 # 131
 Unit H, Section 07-T21N-R07W
 1495' FNL, 1000' FEL
 6675' GL, 7' KB

Steve & Son Rig # 1 Spud: 10/12/06
 Completed: 11/11/09

API # 030-043-21023

36.06953 deg North, 107.61188 deg West

8-5/8" 24# K-55 Casing @ 134' w/ 105 sxs
Circulated 7 bbls cement to surface

Dev Surveys	
204'	0.75
830'	2.00

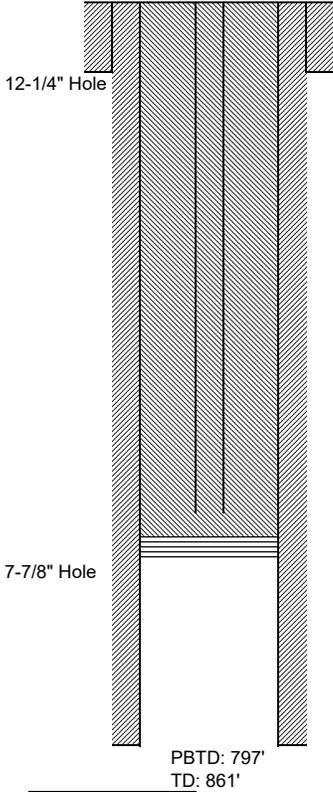
1" PVC Coiled Pipe will be run in the well to tag the CIBP @ 632'
 This will be cemented in the hole cementing the entire wellbore with 71.5 sxs (84.45 ft3)
 Class G Neat Cement to surface.

No Cement Bond Log will be run, due to the shallow depths and full cement circulation on all casing strings.

5-1/2" CIBP @ 632'

Fruitland Coal Perforations
655' to 675' (80 holes)

5-1/2" 15.5# K-55 LT&C Casing @ 857', w/ 114 sxs (234.8 ft3) Lead Type 5 cement @ 12.5 ppg
tail with 50 sxs (66.0 ft3) Type 5 @ 14.8 ppg. Good Circulation, Circulate 21 bbls to surface



Formation Tops	
San Jose	
Nacimiento	
Ojo Alamo	
Kirtland	134'
Fruitland	308'
Pict Cliffs	734'
TD:	861'

SYNERGY 21-7-7 # 131
 Unit H, Section 07-T21N-R07W
 1495' FNL, 1000' FEL
 6675' GL, 7' KB

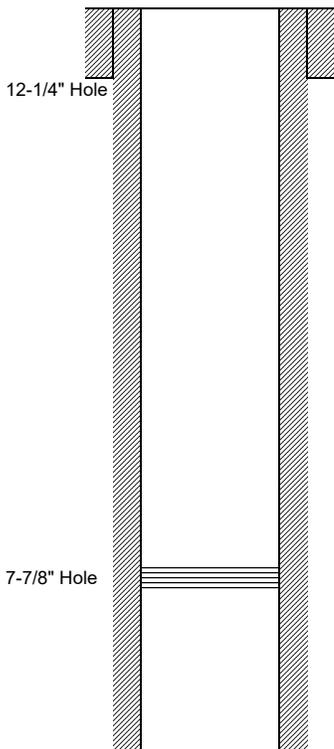
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Fruitland Coal Perforations 655' to 675' (80 holes)

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PBTD: 797'
 TD: 861'

Formation Tops	
San Jose	
Nacimiento	
Ojo Alamo	
Kirtland	134'
Fruitland	308'
Pict Cliffs	734'
TD:	861'

Formation Name: **Fruitland Coal**
 07-11-2007 MIRU Jet West, Run GR-CCL. Correlate with OH Logs
 11-12-2009 MIRU PACE, Pressure Test 5-1/2" casing 500# 30 mins, 1200# for 2 mins, chart tests
 RU Blue Jet. Correlate logs. Perforate Fruitland Coal 655' to 675' (20') with 80 holes in 2 - 10' guns 4 SPF
 02-24-2017 MIRU Basin Perforators. SICP = 0#, Blow down. RIH and set CIBP @ 632' to isolate perforations.
 03-15-2017 Load 5-1/2" casing from surface. Test casing to 50#.
 04-20-2017 MIRU Testing unit. Perform witnessed MIT test on 5-1/2" casing to 616# for 30 mins, chart tests.
 Performed witness bradenhead test. Well Secure.

Specialty Logs, Misc
 none

Open Hole Logs (Jet West)
 GR-Density-Caliper
 (10-23-2006)

Cased Hole Logs (Jet West)
 GR-CCL (7-11-2007)

Thomas E. Mullins
 May 20, 2017