Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Received 7/31/2020

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

5. Lease Serial No. NMNM99735

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.

6. If Indian, Allottee or Tribe Name

		-,					
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
Type of Well					8. Well Name and No. SYNERGY 21-7-5 142		
2. Name of Operator Contact: GLEN PAPP SYNERGY OPERATING, LLC E-Mail: gpapp@synergyoperating.com					9. API Well No. 30-043-21036-00-S1		
3a. Address 3b. Phone No. (include area c					10. Field and Pool or I		
FARMINGTON, NM 87499		Fx: 505-59	9-4908 Ext: 158 1-4900	2	BASIN FRUITLA	AND COAL	
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish,	State	
Sec 5 T21N R7W NWSE 1810 36.078542 N Lat, 107.597365					SANDOVAL CC	DUNTY, NM	
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICA	ΓE NATURE O	F NOTICE,	REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION			ТҮРЕ О	F ACTION			
➤ Notice of Intent	☐ Acidize	□ Dee	☐ Deepen ☐ F		on (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing	☐ Hyd	☐ Hydraulic Fracturing ☐ Reclam		ation	☐ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	□ New	Construction	☐ Recomp	lete	☐ Other	
☐ Final Abandonment Notice	☐ Change Plans	🛛 Plug	and Abandon	□ Tempor	☐ Temporarily Abandon		
	☐ Convert to Injection	☐ Plug	Back	☐ Water D	Pisposal		
Attach the Bond under which the wo following completion of the involved testing has been completed. Final Al determined that the site is ready for f Synergy Operating LLC plans Attached are the follow docum 1) Wellbore plugging plan 2) Reclamation plan	l operations. If the operation re- pandonment Notices must be fil- inal inspection. to plug and abandon the	sults in a multipl ed only after all	e completion or reco requirements, includ	mpletion in a r ing reclamation	iew interval, a Form 3160 n, have been completed a	0-4 must be filed once	
2) Reclamation plan Notify NMOCD 24hrs Prior to beginning							
	operations						
			Орс	Tutions.			
	## Electronic Submission For SYNERGY Committed to AFMSS for pr	OPERATING,	∟LĆ, sent to the l OE KILLINS on 0	Farmington 6/24/2020 (20	JK0723SE)		
Name(Printed/Typed) THOMAS	MULLINS		Title ENGINE	EERING MA	NAGER/PARTNER		
Signature (Electronic S	Submission)		Date 06/19/2	020			
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE		
Approved By JOE KILLINS Conditions of approval if any are attached.	d. Approval of this notice does	not warrant or	TitleENGINEE	R		Date 07/30/2020	
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 Farmington				

KP

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.

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: SYNERGY 21-7-5 142 API: 300432103600S1

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.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

- 1.0 The approved plugging plans may contain variances from the following <u>minimum general</u> requirements.
 - 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
 - 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.

- 5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.
 - 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
 - 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
 - 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
 - 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.
- 6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.
 - 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
 - 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.
- 7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .
- 8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.
- 9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

BLM FLUID MINERALS Geologic Report

Date Completed: 7/16/2020

Well No.	Synergy 21-7-5 #142		Location	1810	FSL	&	1950	FEL
Lease No.	NMNM-99735		Sec. 05	T21N				R07W
Operator	Synergy Operating		County	Sandoval		State	New Mexico	
Total Depth	959	PBTD 899	Formation Fruitland Coal (target), Pictured Cliffs (TD))	
Elevation (GL)	6708		Elevation (K	B) 6715				

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	168	Aquifer (fresh water)
Kirtland Shale			168	436	
Fruitland Fm			436	788	Coal/Gas/Possible water
Pictured Cliffs Ss			788	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

Reference Well:

1) Same Fm. Tops

- Log analysis of reference well #2 (attached worksheet) indicates the Ojo Alamo sands investigated contain fresh water (≤5,000 ppm TDS).
- Plugging plan has entire casing filled with cement, which will protect fresh water sands in the well bore.
- Perforations @ 740'-758'. CIBP @ 725'.

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

Prepared by: Chris Wenman

U.S. Department of the Interior Bureau of Land Management

Wellbore Plugging Plan

Synergy Operating, LLC

Synergy 21-7-5 # 142
Plugging & Final Abandonment

Prepared by:

Thomas E. Mullins, P.E. Partner / Engineering Manager

June 2020

Submitted Electronically

To: U.S. Department of the Interior-BLM Farmington District – FFO Farmington, NM 87402

Well Information:

Well Name & #:	Synergy 21-7-5 # 142
API #:	30-043-21036
Legal Location:	1810' FSL, 1950' FEL, Section 5 – T21N-R07W, Sandoval County, NM
Latitude/Longitude:	36.07855 / -107.59733
Federal Lease #:	NMNM-99735
USGS Topo Map:	Lybrook SE
Drilling Spud date:	June 1, 2009
TD / PBTD:	959' / 899'
Surface Hole Size:	12-1/4"
Surface Casing:	8-5/8" 24# J-55 @ 132' Cmt'd w/ 70-sxs Type V cmt – Circ 5 bbls to surface
Production Hole Size:	7-7/8"
Production Casing:	5-1/2" 15.5# K-55 @ 952' Cmt'd w/ 236 sxs (328 ft3) Type 5 Cement –
_	Circulated 20 bbls to surface
Perforations:	Fruitland Coal: 740' to 758' (18') – 80 holes
Tubing in Hole:	None
Formation Tops (KB):	Kirtland @ 168', Fruitland @ 436', Pictured Cliffs @ 788'

Project Summary:

Synergy Operating, LLC ("Synergy") is the operator of the Synergy 21-7-5 # 142 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 Cast Iron Bridge Plug is currently set at 725', above the existing Perforations (740' to 758').

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 <u>Sundry Notices and Reports on Wells</u>, Form 3160-5.

Proposed wellbore plugging procedure:

RIGLESS ABANDONMENT.

PERFORATIONS 740' TO 758'. PRESSURE TEST 5-1/2" CASING TO 550#. HOLD AND CHART 30 MINS. BLEED OFF PRESSURE.

RIH W/ 1" POLY PIPE AND TAG CIBP @ 725'. PULL UP. MIRU CEMENT PUMP TRUCK AND CIRCULATION TANK

MIX AND PUMP 17.25 BBLS CLASS G NEAT CEMENT AT 15.5 PPG (96.88 FT3 / 82.1 SXS @ 1.18 YIELD). FILLING ENTIRE CASING

WITH CEMENT TO SURFACE. CUT OFF WELLHEAD AND INSTALL ABOVE GROUND DRYHOLE MARKER.

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

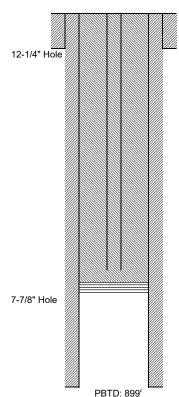
RESEED SURFACE LOCATION AND SUBMIT FOR FINAL ABANDONMENT APPROVAL.

Wellbore diagrams:

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

SYNERGY 21-7-5 # 142

Unit J, Section 05-T21N-R07W 1810' FSL, 1950' FEL 6708' GL, 7' KB



Steve & Son Rig # 1 Spud: 06/01/09

Completed: 11/11/09

API # 030-043-21036

NMNM-99735

36.07855 deg North, 107.59733 deg West

8-5/8" 24# K-55 Casing @ 132' w/ 70 sxs Circulated 5 bbls cement to surface

Dev Surveys 238' 1.00 931' 1.00

1" PVC Coiled Pipe will be run in the well to tag the CIBP @ 725'

This will be cemented in the hole cementing the entire wellbore with 82.1 sxs (96.88 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 @ 725'

Fruitland Coal Perforations

740' to 758' (80 holes)

5-1/2" 15.5# K-55 LT&C Casing @ 952', w/ 236 sxs (328 ft3) Type III cement @ 14.6 ppg Good Circulation, Circulate 20 bbls to surface

Formation Name: Fruitland Coal

06-29-2009 MIRU Jet West, Run GR-CNL-CCL.

11-11-2009 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 740' to 758' (18') with 80 holes in 2 - 10' guns 4 SPF 02-24-2017 MIRU Basin Perforators. SICP = 0#, Blow down. RIH and set CIBP @ 725' 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 594# for 30 mins, chart tests. Performed witness bradenhead test. Well Secure.

TD: 959'

Formation Tops Nacimiento

Ojo Alamo Kirtland 168' Fruitland 436' Pict Cliffs 788' TD: 959'

San Jose

Specialty Logs, Misc none

Open Hole Logs (Jet West) None

Cased Hole Logs (Jet West) GR-CNL-CCL (06-29-2009)

Thomas E. Mullins June 18, 2020

SYNERGY 21-7-5 # 142

12-1/4" Hole

7-7/8" Hole

Unit J, Section 05-T21N-R07W 1810' FSL, 1950' FEL 6708' GL, 7' KB

Steve & Son Rig # 1 Spud: 06/01/09 Completed: 11/11/09

API # 030-043-21036

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238' 1.00

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5-1/2" 15.5# K-55 LT&C Casing @ 952', w/ 236 sxs (328 ft3) Type III cement @ 14.6 ppg Good Circulation, Circulate 20 bbls to surface

PBTD: 899' TD: 959'

Formation Tops San Jose Nacimiento Ojo Alamo Kirtland 168' Fruitland 436' Pict Cliffs 788' TD: 959'

Specialty Logs, Misc none

Open Hole Logs (Jet West) None

Cased Hole Logs (Jet West) GR-CNL-CCL (06-29-2009)

Thomas E. Mullins May 20, 2017

Formation Name: Fruitland Coal

06-29-2009 MIRU Jet West, Run GR-CNL-CCL.

11-11-2009 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 740' to 758' (18') with 80 holes in 2 - 10' guns 4 SPF 02-24-2017 MIRU Basin Perforators. SICP = 0#, Blow down. RIH and set CIBP @ 725' 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 594# for 30 mins, chart tests. Performed witness bradenhead test. Well Secure.