



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway - Suite A
Farmington, New Mexico 87401
www.blm.gov/nm



In Reply Refer To: NMNM99735
3162.3-1 (NMF0110)

February 26, 2013

RCVD FEB 28 '13
OIL CONS. DIV.
DIST. 3

Synergy Operating, LLC
P.O. Box 5513
Farmington, NM 87499

Dear Sirs:

Please be advised that the following approved Application for Permit to Drill (APD) has expired effective February 26, 2013. If you wish to drill these wells at some later date, you must file another application to permit to drill.

Synergy 21-7-5 #143 located 1955'FNL & 1810'FEL, Section 5, T.21N., R. 7W, Sandoval County, New Mexico, Federal Lease NMNM99735, API Number: 30-043-21037

If any surface disturbance was conducted, you must file your plans for reclamation.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions, contact Virginia Barber at (505) 564-7754.

Sincerely,

Virginia Barber
Petroleum Management Team

CC: Well File
NMOCD **AV**
AFMSS/vbarber/rtn apd/Synergy/02/26/2013

KDD Petro Corp et al
 SW 1/4, Sec 5, Lots 1-4
 Exp. 9/30/2007
 (April 2004)

NOS: 04-21-06
 APDP: 11-12-06
 MP: 11-12-06
 SMA: 11-12-06
 BOND: 11-12-06
 CAPA: 11-12-06

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

FORM APPROVED
 OMB No. 1004-0137
 Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER 1 34

5. Lease Designation and Serial No.
 NMMN-99735
 6. If Indian, Allottee or Tribe Name
 7. If Unit or CA, Agreement, Name and No.
 8. Lease Name and Well No.
 Synergy 21-7-5 # 143
 9. APL Well No.
 20-043-21037
 10. Field and Pool, or Exploratory
 Basin Fruitland Coal
 11. Sec., T., R., M., or Bk. and Survey or Area
 Sec 05, T-21-N, R-07-W

1a. Type of Work DRILL REENTER
 1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
 Synergy Operating, LLC NM OGRID # 163458

3a. Address PO Box 5513 Farmington, NM 87499
 3b. Phone Number (505) 325-5449

4. Location of Well (Footage, Sec, T. R., M, or Survey Description)
 At surface: Unit Letter G, 1955' FNL, 1810' FEL, Sec 5, T-21-N, R-7-W
 At proposed prod. Zone: Same

14. Distance in miles and direction from nearest town or post office*
 11 Miles South of Lybrook, New Mexico. Turn South US Hwy 550 MM - 113.25

15. Distance from proposed* location to nearest property or lease line, ft.
 1955 Feet from North Line
 (Also to nearest drlg. Unit line, if any)
 16. No of Acres in lease
 1,921.60 Acres

18. Distance from proposed* location to nearest property or lease line, ft.
 1810 Feet from East Line
 19. Proposed Depth
 950'

21. Elevation (Show whether DF, KDB, RT, GL, etc.)
 6715' Ground Level
 22. Approximate date work will start*
 September 1, 2006
 23. Estimated duration
 30 days

12. County or Parish,
 Sandoval
 13. State
 New Mexico
 17. Spacing Unit dedicated to this well
 320.52
 322.98 Acres - East Half

20. BLM/BIA Bond No. on file
 NM-2559 SW 25

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	8-5/8" K-55	24 #	120'	70 sxs, 99 ft3 - 100% Excess
7-7/8"	5-1/2" K-55	15.5#	950'	236 sxs, 329 ft3 - 100% OH Excess

SEE ATTACHED APD INFORMATION

Latitude: 36.08289 Deg N
 Longitude: 107.59688 Deg W

25. Signature *[Signature]* Name (Printed/Typed) Thomas E. Mullins Date 7-10-06
 Title Engineering Manager

Approved by (Signature) *[Signature]* Name (Printed/Typed) Office FPO Date 9/14/06
 Title AFM

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 Conditions of approval, if any, are attached.

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 reverse)

FARMINGTON