

RECEIVED

Form 3160-5
(March 2012)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 06 2017

FORM APPROVED
Budget Bureau No. 1004-0137
Expires March 31, 2014

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Synergy Operating, LLC (OGRID # 163458)

3a. Address

PO Box 5513
Farmington, NM 87499

3b. Phone No. (include area code)

(505) 325-5549

4. Location of Well (Footage, Sec. T. R., M. or Survey Description)

Unit J, 1835' FSL, 1970' FEL, Sec 07, T21N - R07W

5. Lease Serial No.

NMNM-99735

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Synergy 21-7-7 # 136

9. API Well No.

30-043-21022

OIL CONS. DIV DIST. 3

10. Field and Pool, or Exploratory

Basin Fruitland Coal

JUN 14 2017

11. County or Parish, State

Sandoval County, New Mexico

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Acidize
-
- ☐
- Alter Casing
-
- ☐
- Casing Repair
-
- ☐
- Change Plans
-
- ☐
- Convert to Injection
-
- ☐
- Deepen
-
- ☐
- Fracture Treat
-
- ☐
- New Construction
-
- ☐
- Plug & Abandon
-
- ☐
- Plug Back
-
- ☒
- Production (Start/Resume)
-
- ☐
- Reclamation
-
- ☐
- Recomplete
-
- ☐
- Temporary Abandon
-
- ☐
- Water Disposal
-
- ☐
- Water Shut-Off
-
- ☐
- Well Integrity
-
- ☐
- Other: _____

13. Describe Proposed or Completed Operations: (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 recompleate 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 the BLM/BIA. 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 NOTIFIED BOTH THE BLM AND NMOCD 48 HOURS IN ADVANCE OF PRODUCTION TESTS

05-14-2017 TO 05-16-2017

Start pumping unit equipment on natural gas, casing pressure 17#, Produce well to production tank battery located on # 136 location. Meter Natural Gas, Take Natural Gas Sample and Produced Water Samples. Production Witnessed by Mark Decker with BLM on May 16th. See attached production charts, integrated volumes, gas sample and water analysis.

Gas Production: 9.80 MCF, Water Volume: 65 Barrels, BTU value: 980.7, Water TDS: 7,090, Producing Time: 47 hours

Well remains capable of production in paying quantities, well is shut-in pending improved natural gas commodity prices and pipeline infrastructure. Well is requested for long term shut-in status, until commodity prices improve and pipeline infrastructure is available, including necessary salt water disposal system and water gathering. Synergy requests 24 month shut-in status per IM: NM-2016-017

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

THOMAS E. MULLINS tom.mullins@synergyoperating.com

Title ENGINEERING MANAGER

Signature

Date JUNE 6, 2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

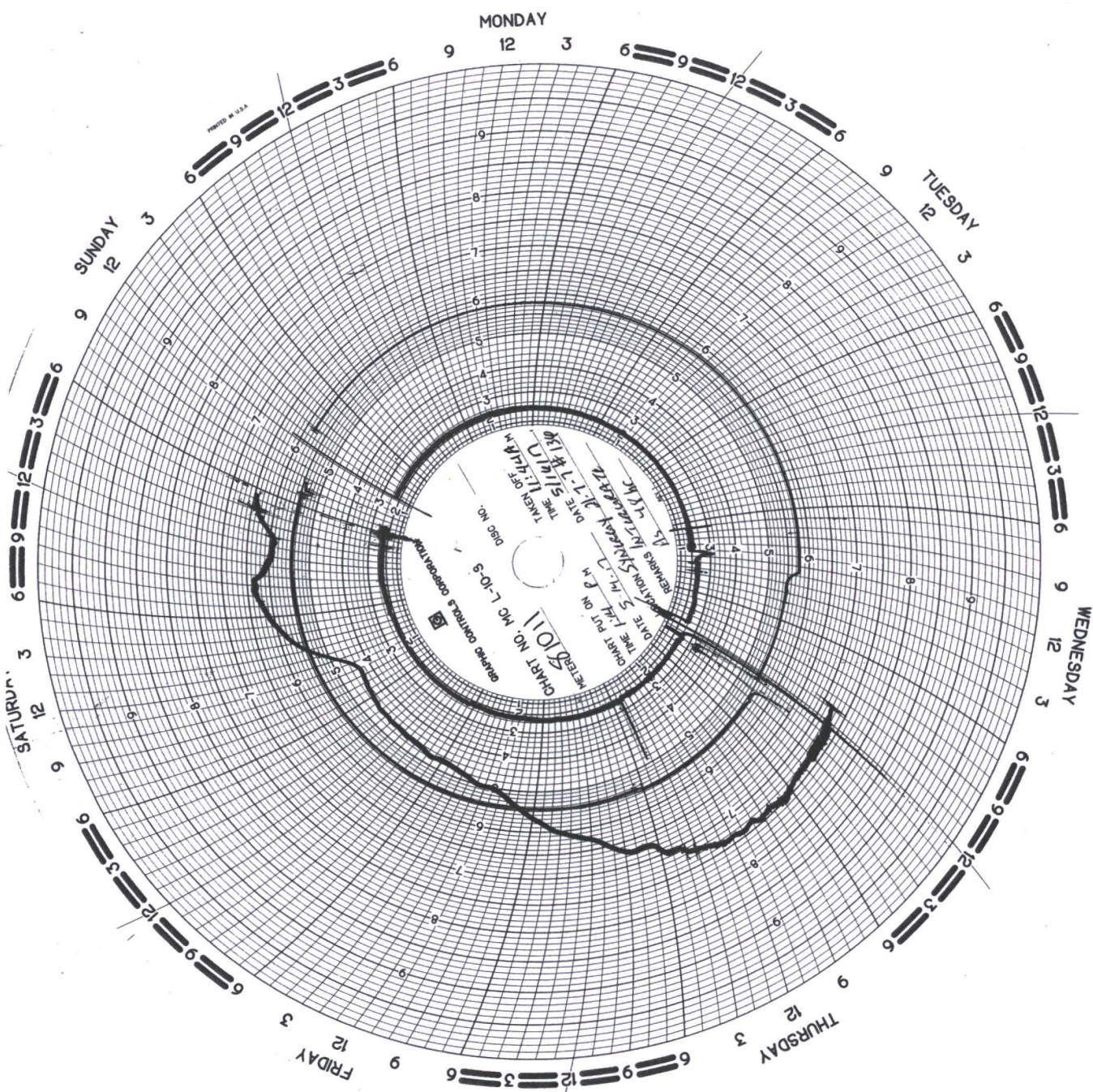
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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)

NMOCD Accepted For Record

136
 5-14-17 to 5-16-17
 48-HR clock
 Individual METER
 3" METER RUN
 0.25" Plate
 100# Spring



R & L Charts

(505) 632-9625

Production Period: 05/2017

Customer: 81 SYNERGY

Field: 2

Station: 81011 0 SYNERGY 21-7-7 #136

District: Unknown District

County: Unknown County

State:

Station Name: SYNERGY 21-7-7 #136

Meter Number:

STATION DATA

Eff. Date: 05/01/17	-- Calculation Bases --	Rotation: 48.0	-----	Ranges -----	Tap Type: Flange
Time: 00:00	Press: 14.730 Temp: 60	Orifice: 0.2500	Static: 100	Temp: 150	Static Source: Downstream
	Atmos: 12.000 BTU: Dry	Tube Size: 3.0670	Diff.: 100	Press: Absol	Measurement Type: Dry Flow
	Type: AGA3-92				Super Type: AGA8-Auto

VOLUME DATA

Date	Time	Date	Time	Count	PSIG	Chart	Diff	Hours	Temp	Orif.	Spec.	Grav.	Grav.	Temp.	Fpv	FrFy	P-Base	Volume	Volume
On	On	Off	Off							Size	Grav.	Grav.	Temp.	Fpv	FrFy	P-Base	(MCF)	(MMBTU)	
05/14	13:14	05/15	00:00	157	34.0A	4.99		10.8	67	0.2500	0.6000	1.2910	0.9932	1.0016	0.0000	1.0000		2.30	0.00
05/15	00:00	05/16	00:00	340	31.8A	5.17		23.7	46	0.2500	0.6000	1.2910	1.0141	1.0017	0.0000	1.0000		5.09	0.00
05/16	00:00	05/16	11:44	164	30.2A	5.16		11.7	63	0.2500	0.6000	1.2910	0.9973	1.0014	0.0000	1.0000		2.41	0.00

46.2-----
9.80-----
0.00

COMPOSITE METER of # 135 and # 136

R & L Charts

(505) 632-9625

Production Period: 05/2017

Customer: 81 SYNERGY

Field: 2

Station: 81012 0 SYNERGY 21-7-7 #136

District: Unknown District

County: Unknown County

State:

Station Name: SYNERGY 21-7-7 #136

Meter Number:

STATION DATA

Eff. Date: 05/01/17	-- Calculation Bases --	Rotation: 48.0	-----	Ranges -----	Tap Type: Flange
Time: 00:00	Press: 14.730 Temp: 60	Orifice: 0.2500	Static: 100	Temp: 150	Static Source: Downstream
	Atmos: 12.000 BTU: Dry	Tube Size: 3.0670	Diff.: 100	Press: Absol	Measurement Type: Dry Flow
	Type: AGA3-92				Super Type: AGA8-Auto

VOLUME DATA

Date	Time	Date	Time	Count	PSIG	Chart	Diff	Hours	Temp	Orif.	Spec.	Grav.	Grav.	Temp.	Fpv	FrFy	P-Base	Volume	Volume
On	On	Off	Off							Size								(MCF)	(MMBTU)
05/14	13:56	05/15	00:00	197	33.3A	9.19		10.1	45	0.2500	0.6000	1.2910	1.0148	1.0018	0.0000	1.0000		2.94	0.00
05/15	00:00	05/16	00:00	463	31.1A	9.63		23.9	50	0.2500	0.6000	1.2910	1.0093	1.0016	0.0000	1.0000		6.89	0.00
05/16	00:00	05/16	12:25	222	29.8A	8.55		12.4	53	0.2500	0.6000	1.2910	1.0064	1.0014	0.0000	1.0000		3.29	0.00

46.4

13.12

0.00

Analytical Report

Lab Order 1705E05

Date Reported:

Hall Environmental Analysis Laboratory, Inc.**CLIENT:** SYNERGY OPERATING**Client Sample ID:** 21-7-7 #136**Project:** Synergy Shallow Coal Wells**Collection Date:** 5/16/2017 12:00:00 PM**Lab ID:** 1705E05-001**Matrix:** AQUEOUS**Received Date:** 5/26/2017 7:50:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 300.0: ANIONS						Analyst: MRA
Chloride	3500	250	*	mg/L	500	5/31/2017 6:50:46 PM
Sulfate	4.2	2.5		mg/L	5	5/27/2017 4:26:22 AM
EPA METHOD 200.7: DISSOLVED METALS						Analyst: pmf
Calcium	38	1.0		mg/L	1	5/30/2017 3:14:52 PM
Iron	0.34	0.020	*	mg/L	1	5/30/2017 3:14:52 PM
Magnesium	9.1	1.0		mg/L	1	5/30/2017 3:14:52 PM
Potassium	13	1.0		mg/L	1	5/30/2017 3:14:52 PM
Sodium	2700	50		mg/L	50	5/31/2017 3:34:41 PM
SM2340B: HARDNESS						Analyst: pmf
Hardness (As CaCO ₃)	130	6.6		mg/L	1	5/30/2017
SM2510B: SPECIFIC CONDUCTANCE						Analyst: JRR
Conductivity	14000	5.0		µmhos/cm	5	6/1/2017 2:59:46 PM
SM4500-H+B: PH						Analyst: JRR
pH	7.72		H	pH units	1	5/30/2017 11:36:25 AM
SM2320B: ALKALINITY						Analyst: JRR
Bicarbonate (As CaCO ₃)	667.2	20.00		mg/L CaCO ₃	1	5/30/2017 11:36:25 AM
Carbonate (As CaCO ₃)	ND	2.000		mg/L CaCO ₃	1	5/30/2017 11:36:25 AM
Total Alkalinity (as CaCO ₃)	667.2	20.00		mg/L CaCO ₃	1	5/30/2017 11:36:25 AM
SPECIFIC GRAVITY						Analyst: LGT
Specific Gravity	0.9965	0			1	5/31/2017 3:58:00 PM
SM2540C MOD: TOTAL DISSOLVED SOLIDS						Analyst: KS
Total Dissolved Solids	7090	100	*HD	mg/L	1	5/31/2017 4:34:00 PM

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
	D Sample Diluted Due to Matrix	E Value above quantitation range
H	Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
ND	Not Detected at the Reporting Limit	P Sample pH Not In Range
R	RPD outside accepted recovery limits	RL Reporting Detection Limit
S	% Recovery outside of range due to dilution or matrix	W Sample container temperature is out of limit as specified



2030 Afton Place
Farmington, NM 87401
(505) 325-6622

Analysis No: SY170002
Cust No: 73300-10130

Well/Lease Information

Customer Name: SYNERGY OPERATING, LLC
Well Name: SYNERGY 21-7-7 #136; MTR
County/State: SANDOVAL NM
Location:
Field:
Formation: FRUITLAND COAL
Cust. Stn. No.:

Source: METER RUN
Pressure: 15 PSIG
Sample Temp: DEG. F
Well Flowing: Y
Date Sampled: 05/16/2017
Sampled By: JUSTIN INGRAM
Foreman/Engr.: THOMAS MULLINS

Remarks:

Analysis

Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	3.759	0.4140	0.00	0.0364
CO2	0.257	0.0440	0.00	0.0039
Methane	95.344	16.1900	962.97	0.5281
Ethane	0.576	0.1540	10.19	0.0060
Propane	0.000	0.0000	0.00	0.0000
Iso-Butane	0.000	0.0000	0.00	0.0000
N-Butane	0.000	0.0000	0.00	0.0000
I-Pentane	0.000	0.0000	0.00	0.0000
N-Pentane	0.000	0.0000	0.00	0.0000
Hexane Plus	0.064	0.0290	3.37	0.0021
Total	100.000	16.8310	976.54	0.5765

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0019
BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 980.7
BTU/CU.FT (WET) CORRECTED FOR (1/Z): 963.6
REAL SPECIFIC GRAVITY: 0.5773

GPM, BTU, and SPG calculations as shown
above are based on current GPA factors.

DRY BTU @ 14.650: 975.4
DRY BTU @ 14.696: 978.4
DRY BTU @ 14.730: 980.7
DRY BTU @ 15.025: 1000.3

CYLINDER #: 6137
CYLINDER PRESSURE: 18 PSIG
DATE RUN: 5/31/17 8:31 AM
ANALYSIS RUN BY: SHYANN ELLEDGE



SYNERGY OPERATING, LLC
WELL ANALYSIS COMPARISON

Lease: SYNERGY 21-7-7 #136; MTR
Stn. No.:
Mtr. No.:

METER RUN
FRUITLAND COAL

06/01/2017
73300-10130

Smpl Date:	05/16/2017	01/27/2007	01/10/2007
Test Date:	05/31/2017	01/30/2007	01/12/2007
Run No:	SY170002	SY270006	SY270004
Nitrogen:	3.759	3.902	11.601
CO2:	0.257	0.144	0.004
Methane:	95.344	95.364	87.460
Ethane:	0.576	0.554	0.931
Propane:	0.000	0.034	0.002
I-Butane:	0.000	0.000	0.002
N-Butane:	0.000	0.000	0.000
I-Pentane:	0.000	0.000	0.000
N-Pentane:	0.000	0.000	0.000
Hexane+:	0.064	0.002	0.000
BTU:	980.7	978.0	903.5
GPM:	16.8310	16.8080	16.3840
SPG:	0.5773	0.5755	0.6073