

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

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

2006 JUN 27 PM 9 41

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Synergy Operating, LLC

OGRID (16348)

3. Address and Telephone No.

P.O. Box 5513, Farmington, NM 87499

(505) 325-5449

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

Unit K, 1775' FSL, 1960' FWL, Sec 07, T21N - R07W

320.56 acres (W/2)

5. Lease Designation and Serial No.

NMNM-99735

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Synergy 21-7-7 # 135

9. API Well No.

30-043-21021

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. County or Parish, State

Sandoval County, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

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

- ☐ 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 or plug
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.

*****TIGHT HOLE - CONFIDENTIAL STATUS REQUESTED

06-14-2006 Finish WOC. Unscrew 8-5/8". NU 11" Drilling Flange & x-o spool. NU 9" Weatherford Double Gate BOPE. Function Test. Check operation of Accumulator. Pressure Test Blinds & Casing both 350# & 850#. Test Pipe Rams to 350#. Chart tests. Tag Cement @ 85'. Drill 7-7/8" hole and cement to 139'. Drill new 7-7/8" hole with polymer & starch to 327'. Circulate Clean. Close Valves. SDFN.

06-15-2006 SM. Drill ahead 7-7/8" Hole from 327' to 826'. Top of PC @ 555'. Circulate Hole Clean. COOH, Laying Down 4" Drill Pipe and 6-1/4" Drill Collars. Secure Well Overnight.

06-16-2006 MIRU Jet West Loggers. RIH w/ GR-Density. Could not get below 585', Log same 585' to 126' GL. Repeat 435' to 585' RD Loggers. RU San Juan Casing Service. Run 5-1/2" 15.5# J-55 Production Casing to 806' KB, Float Collar @ 785', Marker Jt @ 472' to 487'. 10 Centralizers run every other joint, Space w/ Landing Jt. RU Cementers. Cement 5-1/2" Csg w/ 10 bbls water ahead, 40 sxs (82.4 ft3) Type 5 Lead @ 12.5 ppg, 144 sxs (190.1 ft3) Type 5 Tail @ 14.8 ppg, Drop Plug, Displace 18.7 bbls. Plug Down @ 12:40 hrs to 900#. Bleed off, okay. Leave 5-1/2" in slips overnight.

06-17-2006 ND BOPE. Set slips on 5-1/2" Casing. Back off landing joint. Remove Collar. NU 5-1/2" Tubing Head. Rig Down and Release S & S Drilling Rig #1 to the Synergy 21-7-7 # 136 well.

Report - TOC + pt ON 5 1/2 CSG

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

Signed:

Thomas E. Mullins

Title:

Engineering Manager

Date:

06-21-2006

tom.mullins@synergyoperating.com

This space for federal or state office use

Approved by:

Title:

Date:

Conditions of approval if any

Title 18 U.S.C. Section 1001, 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

ACCEPTED FOR RECORD

NMOC

JUN 28 2006

FARMINGTON FIELD OFFICE