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UNITED STATES FORM APPROVED DEPARTMENT OF THE INTERIOR Budget Bureau No. 1004-0135 Form 3180-5 **BUREAU OF LAND MANAGEMENT** Expires March 31, 1993 (June 1990) 5. Lease Designation and Senal No. SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reen and addition treservor. 15_{NMNM-99735} Use "APPLICATION FOR PERMIT -" for such proposals 6. If Indian, Allottee or Tribe Name RECEIVED SUBMIT IN TRIPLICATE OTO PARMINGTON Unit or CA, Agreement Designation 1. Type of Well Oil Well Other ; Gas Well 8. Well Name and No. 2. Name of Operator Synergy 21-7-8 # 137 Synergy Operating, LLC (163458) OGRID # 163458 9. API Well No. 3. Address and Telephone No. PO Box 5513 (505) 325-5549 30-043-21031 Farmington, NM 87499 10. Field and Pool, or Exploratory 4. Location of Well (Footage, Sec, T. R., M, or Survey Description) Basin Fruitland Coal Unit K, 1520' FSL, 1375' FWL, Sec 08, T21N - R07W 11. County or Parish, State Sandoval County New Mexico 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Abandoment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Converion to Injection Dispose Water 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. SYNERGY OPERATING, LLC REQUESTS A ONE (1) YEAR EXTENSION FOR THIS APD. SYNERGY IS RE-EVALUATING OUR CURRENT ACTIVITY REQUIRING AN EXTENSION UNTIL JULY 24, 2008 TO DRILL THIS WELL. Signed: Title: Engineering Manager Date: Telephone: (505) 566-3725 Thomas E. Mullins tom.mullins@synergyoperating.com MAY 1 0 2007 Approved by: Original Signed: Stephen Mason Date: Title: 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 fatse, ficticious, or fraudulent statements or representations as to any matter within its jurisdiction