

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

RECEIVED

SEP 26 2007

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.

Bureau of Land Management
Farmington Field Office

5. Lease Designation and Serial No

NMNM-99740

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Synergy 22-7-31 # 144

9. API Well No.

30-043-21053

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. County or Parish, State

Sandoval County, NM

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

OGRID (163458)

Synergy Operating, LLC

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 P, 720' FSL, 895' FEL, Sec 31, T22N - R07W

320 acres (E/2)

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: Deferral of Termination

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well
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.

SYNERGY RESPECTFULLY WITHDRAWS OUR PRIOR REQUEST FOR SUSPENSION DUE TO RIGHT-OF-WAY DATED 09-20-2007.

SYNERGY PLANS TO BE DRILLING THIS WELL OVER THE LEASE EXPIRATION DATE PERIOD OF 9/30/2007, WITH PLANS TO HAVE THE 8-5/8" SURFACE CASING SET. DRILLING WILL CONTINUE WITHIN 120 DAYS TO SET THE 5-1/2" PRODUCTION CASING AND PROCEED DILIGENTLY WITH THE COMPLETION TO DEMONSTRATE THE FRUITLAND COAL IS CAPABLE OF COMMERCIAL PRODUCTION

SYNERGY SHALL KEEP THE BLM NOTIFIED ON A REGULAR BASIS OF OUR PROGRESS.

THIS LEASE IS TO EXPIRE ON SEPTEMBER 30, 2007. SYNERGY REQUESTS A DEFERRAL OF TERMINATION BE APPROVED BY THE AUTHORIZED OFFICER ON LEASE NMNM-99740.

A SPUD NOTICE AND ACTIVITY NOTICE SUNDRY WILL BE FORTHCOMING IN THE NEXT 4 DAYS.

— Approved pursuant to 43 CFR 3107.

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

Signed:

Thomas E. Mullins

Title:

Engineering Manager

Date:

09-26-2007

tom.mullins@synergyoperating.com

This space for federal or state office use

Approved by:

Conditions of approval if any

Title:

Petr. Eng.

Date:

9/26/07

NMOCD