Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FORM APPROVED

Budget Bureau No 1004-0135

Expires March 31, 1993

(June 1990) 5 Lease Designation and Serial No SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. NMNM-99738 Use "APPLICATION FOR PERMIT -" for such proposals 6 If Indian, Allottee or Tribe Name RCVD MAR 4'08 SUBMIT IN TRIPLICATE 7 If Unit or CA, Agreement Designation 1 Type of Well iweur OIL CONS. DIV. Oil Well Gas Well Other Tribusi Well Name and No Famingion Field Bureau of Lan DIST. 3 2 Name of Operator OGRID (163458) Synergy 21-7-20 # 159 9 API Well No Synergy Operating, LLC 3 Address and Telephone No 30-043-21045 P.O. Box 5513, Farmington, NM 87499 (505) 325-5449 10 Field and Pool, or Exploratory 4 Location of Well (Footage, Sec, T. R, M, or Survey Description) **Basin Fruitland Coal** Unit E, 1780' FNL, 845' FWL, Sec 20, T21N - R07W 11. County or Parish, State 320 acres (N/2) Sandoval County, NM 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Abandoment Change of Plans **New Construction** Recompletion Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Converion to Injection Other: Dispose Water (Note Report results of multiple completton 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 10 315 SM. Wait on Casing. Run New 5-1/2" 15.5# LT&C Production Casing to 864', Float Collar @ 851', Maker Jt 629' - 20 Joints 02-05-2008 Centralizers run every other joint - 10 total. Circulate Casing 30 mins. RU Key Cementers. Cement 5-1/2" Casing @ 864' w/ 95 sxs Type 5 Lead cement 12.5 ppg (34.9 bbls/195.7 ft3/2.06 yield) and 59 sxs Type 5 Tail cement 14.8 ppg (8.9 bbls/77.9 ft3/1.32 yield), drop plug, displace 20.4 bbls water Plug down 15:40 hrs. Clean out BOP & wellhead. FC @ 850'. RD Cementers. WOC. Will move tomorrow to Synergy 22-7-31 # 144. Casing pressure test results upon completion Circulated 28.4 barrels of Cement to Surface. Good Job. 02-06-2008 Rig Down Derrick and Equipment, ND BOP, NU WH. Set slips. Rig Release at 12:00 hrs on 02-06-2008. Move to Synergy 22-7-31 # 144 Notify BLM of planned re-spud on # 144 well ACCEPTED FOR RECORD 14 I hereby certify that the Title: Engineering Manager Date. 02-16-2008 Signed Thomas, E. Mullins tom.mullins@synergyoperating.com This space for federal or state office use Title Approved by 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, ficticious, or fraudulent statements or representations as to any matter within its jurisdiction

