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Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Farmington Field Office
Management

Do not use this form for proposals to drill or to re-enter an abandoned well.
Use Form 3160-3 (APD) for such proposals

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 # 131

9. API Well No.

30-043-21023

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. County or Parish, State

Sandoval County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

OIL CONS. DIV DIST 3

2. Name of Operator

Synergy Operating, LLC (OGRID # 163458)

DEC 08 2016

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 H, 1495' FNL, 1000' FEL, Sec 07, T21N - R07W
320 Acres (E/2)

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

BP

- 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 recomplate 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 recomplate 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 PROPOSES TO TEMPORARILY ABANDON (TA) THIS WELL, UNTIL NATURAL GAS PRICES IMPROVE AS FOLLOWS:

MIRU WIRELINE UNIT. RIH AND SET MECHANICAL CIBP @ 620'+/-, ABOVE FRUITLAND COAL PERFORATIONS (655' TO 675'). POOH. LOAD HOLE FROM SURFACE. PRESSURE TEST 5-1/2" PRODUCTION CASING TO 550# AND HOLD AND CHART CASING PRESSURE TEST FOR 30 MINUTES. SCHEDULE PRESSURE TEST WITNESS WITH BLM AND NMOCD PERSONNEL 48 HOURS IN ADVANCE. NO CEMENT WILL BE PLACED UPON CIBP AT THE PRESENT TIME, SINCE WELL PLAN IS TO RETURN WELL TO PRODUCTION.

PERFORM WITNESSED PRESSURE TEST AND SUBMIT CHART WITH SUBSEQUENT SUNDRY NOTICE.

ALL WORK WILL BE PERFORMED BY APRIL 15, 2017.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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 NOVEMBER 28, 2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

AG S/madani

Title

PE

Date

12/5/16

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.

Office

FFO

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 FV

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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



CONDITIONS OF APPROVAL FOR TEMPORARY ABANDONMENT

1. Mechanical Integrity Test (MIT) required prior to Temporary Abandonment (TA) approval.
2. Temporary Abandonment approval will be effective upon receipt of MIT's subsequent report by the Bureau of Land Management (BLM), and will be valid for a period of twelve (12) months thereafter.
3. Contact this office at (505) 564-7750 prior to conducting MITs operations.

If you have any questions, please contact AG Elmadani at (505)564-7742 or aelmadani@blm.gov

AG Elmadani
Petroleum Engineer
Petroleum Management Team