

Submit 3 Copies to Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-043-21041
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NMNM-99734
7. Lease Name or Unit Agreement Name Synergy 21-7-6 #
8. Well Number 134
9. OGRID Number 163458
10. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Synergy Operating, LLC (505-325-5449)

3. Address of Operator
PO Box 5513, Farmington, NM 87499

4. Well Location
Unit Letter I, 1580' feet from the SOUTH line and 715' feet from the EAST line
Section 6 Township 21N Range 07W NMPM County Sandoval

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6648' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Reserve Depth to Groundwater >100 Distance from nearest fresh water well 1.0 miles Distance from nearest surface water n/a

Pit Liner Thickness: 12+ mils Below-Grade Tank: Volume 500 bbls; Construction Material Existing Soil & Lined

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Reserve Pit Construction <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This new well location is permitted for a lined reserve pit. This small pit will be utilized for a fresh water mud system, that will use approximately 20 sacks of bentonite gel, and three (3) 5 gallon jugs of poly-plus (fresh water polymer).

The well will be drilled with a daylight drilling rig to a depth of 850 feet+/-.

The reserve pit will be utilized for less than 5 days, and will be closed immediately per the regular NMOCD guidelines.
The location of the reserve pit is clearly shown on the BLM APD site plats and documents.

We plan to spud this well approximately June 1st, 2007.

RCVD MAY18'07
OIL CONS. DIV.
DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Thomas E. Mullins TITLE Engineering Manager DATE 5-17-07

Type or print name E-mail address: tom.mullins@synergyoperating.com Telephone No. 505-566-3725

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 11 2007
Conditions of Approval (if any):