Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
NMNM-18318

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

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

8. Well Name and No.
29-4 Carson 19 # 1

2. Name of Operator
Synergy Operating, LLC

9. API Well No.
30-039-2489100

3. Address and Telephone No.
PO Box 5513 (505) 325-5449
Farmington, NM 87499

10. Field and Pool, or Exploratory
Wildcat NACIMIENTO (GAS)

4. Location of Well (Footage, Sec, T. R., M, or Survey Description)
1910' FNL & 655' FEL, Unit H, Sec 19, T29N, R04W

11. County or Parish, State
Rio Arriba County
New Mexico

JUL 2000 RECEIVED OIL CON. DIV DIST. 3

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

TYPE OF SUBMISSION	TYPE OF ACTION	
☒ Notice of Intent	☒ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Converion to Injection
	☐ Other	☐ 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 OPERATING, LLC HAS RELEASED THIS LEASE NUMBER NMNM-18318.

SYNERGY OPERATING, LLC RETAINS THE RIGHTS TO THE SURFACE EQUIPMENT ON THIS LEASE.

SYNERGY OPERATING, LLC HAS EVALUATED THE SUBJECT WELL AND RECOMMENDS THAT THIS WELLBORE BE PLUGGED AND PERMANENTLY ABANDONED PER THE ATTACHED PROCEDURE.

THE FRUITLAND COAL INTERVAL IS CURRENTLY TEMPORARILY ABANDONED UNDERNEATH A CIBP @ 3050'
A REQUEST IS MADE TO SPOT CEMENT ON TOP OF THIS CIBP, RATHER THAN CEMENT THE OPENHOLE INTERVAL.

THE CURRENT WELL IS UNABLE TO SUSTAIN ECONOMIC PRODUCTION.

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

Signed: _____ Title: Engineering Manager Date: 5-18-00
Thomas E. Mullins

This space for federal or state office use

Approved by: _____ Title: _____ Date: 7/14/00
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

NMOCD

Plug and Abandonment Plan

Carson 29-4 19 # 1

Fruitland Coal Temporarily Abandoned & Nacimiento

Unit H, Section 19, T29NR04W

1910' FNL, 655' FEL

23. Obtain 24 hour notice approval of the Bureau of Land Management and the Jicarilla Ranger District, prior to the start of plugging operations. These parties may wish to be on location to witness the plugging of the subject well.
24. Have a copy of the regulatory approved plug and abandonment procedure on location.
25. Comply with all BLM, NMOCD, National Forest Service, Company & Contractor policies with regard to health, safety, and environmental considerations. Location is in close proximity to New Mexico State Highway 64.
26. Locate emergency helicopter landing area. Obtain Latitude and Longitude coordinates and check for possible landing hazards.
27. Call New Mexico One Call prior to digging or installing anchors.
28. The wellsite location is small and consideration should be given to placement of workover equipment.
29. Install and test anchors.
30. Spot location of small earthen workover pit. Line and fence this pit on all sides. A flowback tank is not recommended due to the possible circulation of cement.
31. Prior to moving in the rig, work tubing hanger lock down pins to ensure movement and minimize downtime.
32. MIRU well service unit. Record shut-in pressures for the tubing, casing, and bradenhead.
33. Kill tubing and casing with fresh water. Note any difficulty in pumping down either the tubing or the casing. ND WH, NU BOPE. Test operation of BOPE per company standards.
34. Unseat tubing hanger? No Tubing is present in the well, Zero Tubing and Zero Casing Pressure.
35. PU 102 joints of 2-3/8" 4.7# J-55 Workstring. GIH openended and tag CIBP set at 3050' Covering the Fruitland Coal.
36. Note that spotting cement was deemed preferable to utilizing a cement retainer because of the large open perforation interval.
37. RU Cementers. **PLUG # 1** (3050' to 2550' Covering Fruitland Coal, Kirtland, and Open Ojo Alamo Perforations). Establish a rate down the 2-3/8" tubing (ID 1.995") with fresh water. Pump 10 bbls water, followed by 24 bbls of Class B neat cement (114.2 sxs / 134.7 ft3), displace the cement with 9 bbls water. Lay down 18 jts of tubing, bringing the EOT to 2500'+/-. A special exemption to avoid tagging the cement plug is requested. Circulate 20 bbls fresh water down the casing and reverse circulate the tubing to ensure it is free of cement.
38. Lay Down an additional 2 jts of tubing. Place EOT @ 2450'+/-. **PLUG # 2** (2450' to 1800' Covering the Nacimiento Perforations) Establish a rate down the 2-3/8" tubing (ID 1.995") with fresh water. Pump 10 bbls water, followed by 27 bbls of Class B neat cement (128.5 sxs / 151.6 ft3), displace the cement with 6 bbls water. Lay down 24 jts of tubing, bringing the EOT to 1750'+/-. A special exemption to avoid tagging the cement plug is requested. Circulate 20 bbls fresh water down the casing and reverse circulate the tubing to ensure it is free of cement.
39. With EOT @ 1750'+/-. **PLUG # 3** (1750' to 1500' Covering the Top Nacimiento Interval) Establish a rate down the 2-3/8" tubing (ID 1.995") with fresh water. Pump 5 bbls water, followed by 11 bbls of Class B neat cement (52 sxs / 61.7 ft3), displace the cement with 4.5 bbls water. Lay down 9 jts of tubing, bringing the EOT to 1480'+/-. A special exemption to avoid tagging the cement plug is requested. Circulate 20 bbls fresh water down and the casing and reverse circulate the tubing to ensure it is free of cement.
40. Lay Down all remaining joints of tubing.
41. RU wireline and perforate four (4) squeeze holes at 310' (9-5/8" Shoe @ 269'). The top of cement on the 7" casing is estimated to be at 250' from a temperature survey. Ensure bradenhead valve is open. **PLUG # 4** (310' to Covering the Surface Casing Shoe), Establish a rate down the 7" casing (ID 6.366") with fresh water. Pump 30 bbls water, followed by 25 bbls of Class B neat cement (118.9 sxs / 140.4 ft3). Circulate cement to surface. If cement does not circulate, then with NMOCD concurrence perforate 2 squeeze holes at 100', and pump additional cement to complete the circulation of cement to surface.
42. ND BOPE. Cut-off Wellhead. Install permanent welded dryhole marker per NMOCD guidelines.
43. RD & release service rig.
44. Close earthen workover pit. Cut off well site anchors.
45. Remove surface facility equipment and re-seed / restore well location per government guidelines.

Approved by: _____ 5-18-00

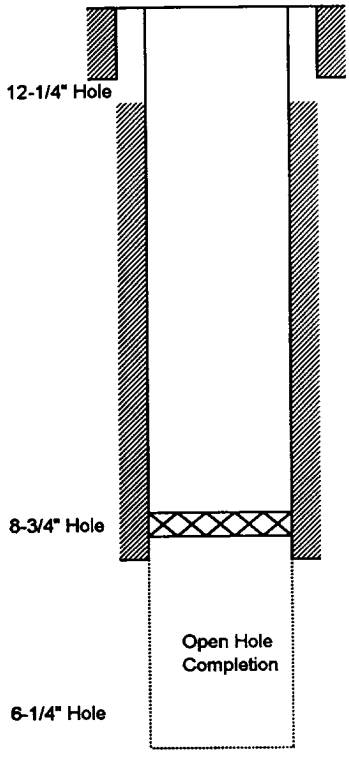
Thomas E. Mullins, P. E. — Date

Engineering Manager

Synergy Operating, LLC

Carson 29-4 19 # 1
Unit H, Section 19-T29N-R04W
1910' FNL, 655' FEL
6575' GL, 13' KB

Arapahoe # 7 — Spud: 10/26/91
Big A Rig # 23 — Completed: 09/29/93
Big A Rig # 5 — PCP Pump 4/94
R&S Well Service # 15 — Nacimiento 10/95



API # 030-039-2489100

9-5/8" 36# K-55 Casing @ 269' w/ 135 sxs
Circulated cement to surface

Temp Survey TOC @ 250'

No Tubing Currently in the well.

NACIMIENTO PERFORATIONS (26 holes from 1674' to 2940')
1674', 1736', 2030', 2035', 2040', 2123', 2156', 2165', 2172', 2291', 2390', 2398', 2455', 2472', 2476', 2624', 2633', 2695', 2700', 2704', 2758', 2765', 2830', 2865', 2874', 2940',

7" CIBP @ 3050'

7" 23# J-55 Casing @ 3116', w/425 sxs HES Lite 0.6% Halad 322, 1/4# Flocelle, Tailed with 150 sxs Class B w/ 0.6% Halad 322, 1/4# Flocele, Good Circulation, No Cement to Surface
CBL incidicates cement at least to 800', Temp Survey indicates 250'

FRUITLAND COAL OPENHOLE CAVITY COMPLETION
Openhole Interval from 3116' to 3329' (213') - 26 feet of Coal
Highest recorded Fruitland Coal Pressure 860 SICP

TD @ 3329'

Formation Tops	
San Jose	surf
Nacimiento	1674'
Ojo Alamo	2723'
Kirtland	3063'
Fruitland	3243'
Pict Cliffs	NDE

Formation Name: **Fruitland Coal**
09/06/93 MIRU Big A # 23. Test BOPE, PU DP, W/ 3% KCl water, DO Float shoe and Drill Fruitland Coal Formation to TD of 3329'. Coal Seams 3116'-3324' (6'), 3269'-3273' (4'), 3296'-3312' (16'). Total Coal 26 Feet. RU HES Logging Log GR-DENS-NEU, Density in OH Only and Neutron to Surface, Log Microlog in OH. PU Undereamer. Underream Hole teo 9-1/2" Inches with air and heavy mist. COOH. Begin Air surges immediately, and Cavitate the well. Note Parriffin in returns. Tried a Nitrogen Surge to 2200 psi, Poor results overall. Best Pitot Gauge 1" line at 60 mcfd. Ran 99 jts 2-3/8" tubing to 3249' KB. RD & release rig.
12/03/93 MIRU Swab Unit. Csg 860, Swab well. Recover Parraffin, Coal fines, & water. Well would swab dry.
04/19/94 MIRU Big A # 5. Pull Tubing, Install stator, run tubing, set at 3291', Run rotor & rods. Install drivehead and hydraulic unit. Run pump with some repairs. Pump was leased, well making 22 mcfd & 11 bwpd.
1994 through 10/1995 pulled rods, pump and tubing. Rig down equipment ????? Used for Workover on 29-4 # 10
10/02/95 MIRU Bluejet. Fill hole from surface with 120 bbls 2% KCl water. Blue Jet run GR-CCL-CBL from 3000' to 715' then run GR-GSL (Neutron) from 3000' to 1500'. Please note that fluid may be gas cut, CBL is of questionable quality the fluild level appears to be at 800'

Specialty Logs, Misc
None

Formation Name: **Ojo Alamo & Nacimiento**
10/13/95 MIRU R&S Rig # 15. PU and tally in 2-3/8" tubing to 3000'. COOH. MIRU Basin Wireline. Run and set 7" CIBP @ 3050'. Load hole with 100 bbls 2% KCl & Test BP-Casing to 1000 psi. Okay. TIH OE to 2930'. Spot 2000 gallons 15% HCl acid from 1674' to 2940'. POOH. Basin perforate Nacimiento select fire 3-1/8" HSC guns with 26 holes (1674', 1736', 2030', 2035', 2040', 2123', 2156', 2165', 2172', 2291', 2390', 2398', 2455', 2472', 2476', 2624', 2633', 2695', 2700', 2704', 2758', 2765', 2830', 2865', 2874', 2940'). PU HES RTTS PKR, TIH & set at 1559'. Acidize all perforations with 1500 gallons 15% HCl and 36 ball sealers, broke at 1530 psi, treat at 4.5 BPM 1600 ATP. ISIP 1180. Release PKR, TIH knock balls off. Hang tubing at 2950'. RU to swab. Swab 38 bbls. SD over weekend.
10/16/95 No csg pressure. Swab well, first FL @ 400', Stayed at 1200'. Same thing on the 17th. Recover 219 bbls water
10/18/95 Swab well recover 29 bbls. Set PKR @ 2579'. (11 Perfs open from 2624' to 2940') Swab recover 40 bbls, FL @ 1300' no change. Release PKR, COOH, LD PKR.
10/19/95 PU & TIH w/ BP & PKR combo assembly. Set BP @ 2600', covering btm 11 perfs. Swab 23 times recover 78 bbls FL stable at 1600'.
10/20/95 No tbg or csg pressure. Made 53 swab runs, recover 78 bbls water, FL @ 1600'. SD for weekend.
10/23/95 Recover BP, and COOH LD BP & PKR. TIH and land 92 jts of 2-3/8" tubing at 2938'. ND BOPE, RD Release rig.
?????? Tubing removed from the well, at an unknown time. Used for the 29-4 # 10 Workover ?

Open Hole Logs (Halliburtion)
GR-Dens-Neut, MicroLog
No Induction

Cased Hole Logs
GR-CCL-CBL (10-02-95)
715' to 3000', FL @ 800'
GR-NEU-GSL (10-02-95)
1500' to 3000'

Thomas E. Mullins
May 5, 2000

Well does not have additional potential, plug and abandonment recommended.