(March 2012)

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

MAR 28 2013

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

OIL COMS. DIV.

DIST. 3

5. Lease Serial No NM 109397

6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to rejenter and Office abandoned well. Use Form 3160-3 (APD) for such proposals ageme 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. Oil Well Gas Well Other Federal 21-8-24 #1 2. Name of Operator 9. API Well No. 30-045-35430 SG Interests I, LTD (Agent Nika Energy Operating, LLC) 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area P. O. Box 2677 **Basin Fruitland Coal** Durango, Colorado 81302 970-259-2701 or 505-634-6209 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 11. County or Parish, State San Juan, New Mexico UL H, 1350' FNL & 650' FEL S24-T21N-R7W 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Other ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation: 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 recomplete 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 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 recompletion 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.) Submittal of revision and additional information for the APD as follows (attachments): RCVD APR 16'13 Revisions to 12 Point Surface Use Plan

14: I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
Mike L. Mankin	Title Agent	
Signature Maley	Date 03/26/2013	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title ERS	Date 4-11-13
Conditions of approval if any, are attached. Approval of this notice does not warrant or that the applicant holds legal or equitable title to those rights in the subject lease which ventile the applicant to conduct operations thereon.		

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)

Access Road Description Document

Access Road Map (topo) Existing Wells Map (topo)

Gathering System Pipeline Plat

Access Road, Gas & Water Pipeline Plat



SG Interests I, Ltd. (Agent: Nika Energy Operating, LLC) PO Box 2677 Durango, CO 81302-2677

Federal 21-8-24 #1 SENE/4 Sec 24, T21N-R7W 1350' FNL & 650' FEL Lat 36.04067, Long -107.62858 San Juan County, New Mexico

REVISIONS TO TWELVE POINT SURFACE USE PLAN

1. Existing Roads

The project will utilize existing collector and arterial roads. All existing roads used to access the well shall be properly maintained as per BLM Gold Book standards.

2. Planned Access Route (see attached map)

A new access road approximately 1329' in length will be constructed to BLM Gold Book standards. This will be a single-lane local road that has no major turns or grade. A survey of this road is also attached.

3. Location of Existing Wells (see attached map)

A map of the existing well within one mile is attached. There is a proposed location and one P&A well within one mile that were not included on the map.

4. Location of Existing or Proposed Facilities

Submittal of the final planned facilities with the working area identified is deferred until well completion.

5. Location and Type of Water Supply

No change

6. Construction Materials

No change

7. Methods of Handling Waste Materials

No change

8. Ancillary Facilities

A copy of the proposed pipeline ROW is included on the proposed access road plat. A copy of the proposed pipeline gathering system plat is attached.

9. Wellsite Layout

No change

10. Plans for Restoration of the Surface

Following completion of drilling and completion operations, interim reclamation will be done. The reserve pit will be backfilled when it has dried sufficiently. Portions of the pad that are not to be utilized for the working area will be reclaimed and recontoured to an intermediate contour that blends with the surrounding topography. Topsoil will be respread on areas not needed for all-weather operations. Seeding with the Farmington Field Office standard mix will be done at the proper planting time.

Following well plugging and abandonment, final reclamation will be performed. This will consist of removal of all equipment and restoration to the original land contour. Re-vegetation to meet surrounding vegetative community will be performed.

During final restoration access road will be ripped and recontoured to the original land contour.

11. Surface Ownership

No change

12. Other Information

No change



ENERGY SURVEYORS, INC.

P.O. Box 991 Farmington, NM 87499

Fax: 505-325-4005

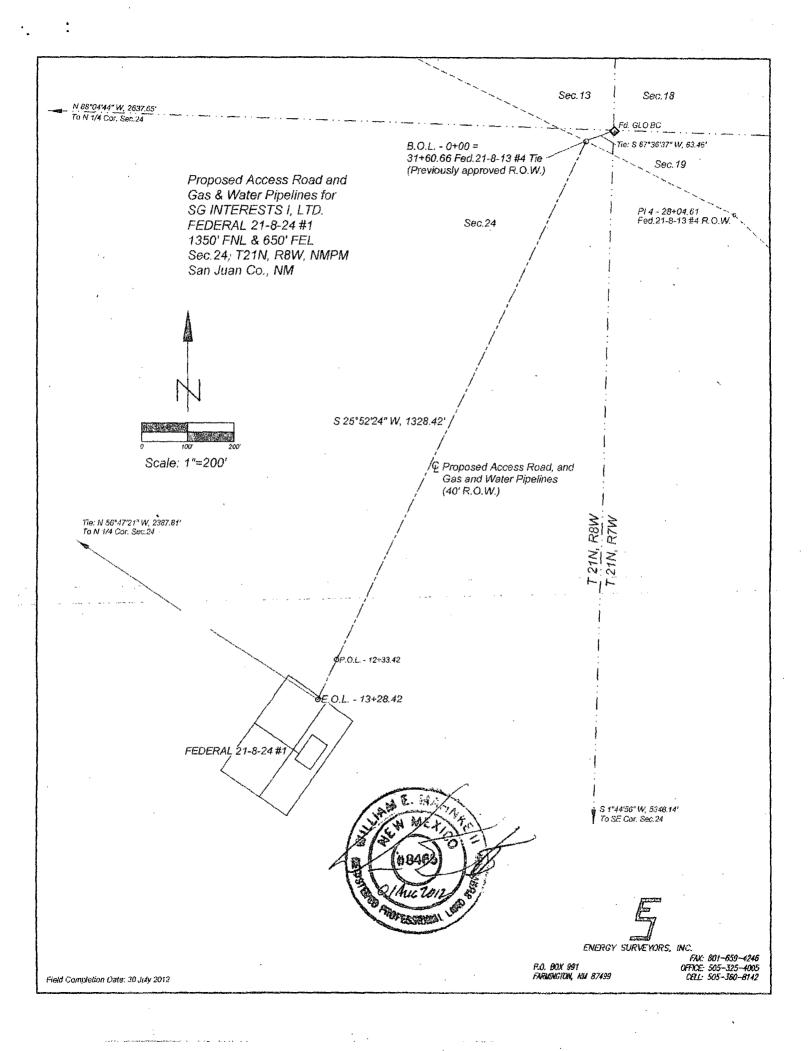
e-mail: surveyor_nm@yahoo.com

Phone: 505-360-8142

Access Description for Federal 21-8-24 #1

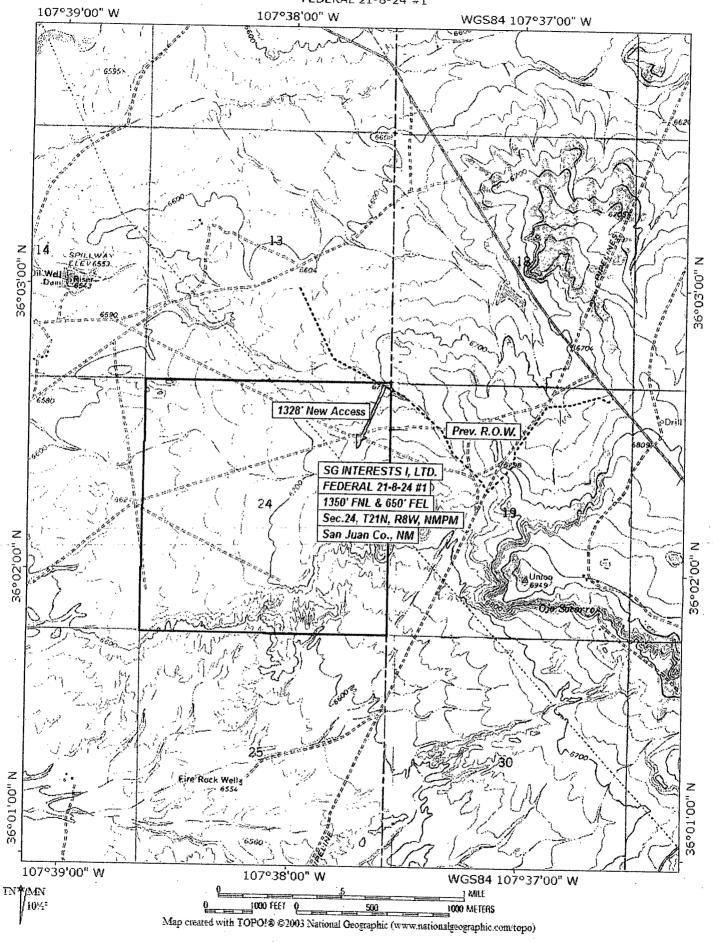
From the intersection of Hwy. 550 and Co. Rd. 7900 at ±Mile Marker 112.7 on Hwy. 550 turn right onto Co. Rd. 7900,

Follow Co. Rd. 7900 14.6 miles to "T" intersection, turn left, Continue 3.0 miles to first road on the right past a large water tank south of road, Turn right onto lease road and travel southwesterly ±0.7 miles, turn right and travel northwesterly ±0.6 miles. Turn left and follow flagged access road and pipeline 1328 feet southwesterly to location.



Access Road

FEDERAL 21-8-24 #1



Gathering System Pipeline Plat

Proposed Right-of-Way for SG INTERESTS I, LTD. In Secs. 16, 17, 19, 20, 21, 22, and 27, T21N, R7W, NMPM, Sandoval Co., NM and Secs. 13 and 24, T21N, R8W, NMPM San Juan Co., NM

