

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JAN 22 2015

SUNDRY NOTICES AND REPORTS ON WELLS

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.
NO-G-1001-1767 & NO-G-1001-1768

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd. c/o Nika Energy Operating, LLC

3a. Address
P. O. Box 2677
Durango, CO 81302

3b. Phone No. (include area code)
(970) 259-2701

7. If Unit of CA/Agreement, Name and/or No.
NMNM-133815

8. Well Name and No.
Navajo 21-7-25 #4

9. API Well No.
30-043-21239

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit I (SWSE) 1605' FSL, 960' FEL
Section 25, T21N-R7W

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
Sandoval County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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.)

Spudded well 1/17/2015. Drill 12-1/4" hole from 0 - 230' KB. Run in hole with 214' of 8-5/8" 24# J-55 ST&C csg; landed at 219' KB. Cmt with water spacer then 112 Sx Type III cement w/ 2% CaCl & 1/4# flocele, cement to surface & return 7 bbls to close-loop pit. PT surf csg 700 psi for 30 min, all good. PT BOP & choke manifold (250# low; 2000# high).

ACCEPTED FOR RECORD

FEB 11 2015

FARMINGTON FIELD OFFICE

BY: William Tambekou

RECEIVED

FEB 13 2015

NMCCD

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

William Schwab III

Title Agent for SG Interests I Ltd.

Signature

Date 01/19/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

NMCCD