Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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

5. Lease Serial No. NO-G-1001-1766

| Do not use this form for proposals to drill or to | Earmington F | 6. If Indian, Allottee or | Tribe Name |
|---|------------------------------------|---|-------------------------------|
| abandoned well. Use Form 3160-3 (APD) for such proposals. | | Мападемент | |
| SUBMIT IN TRIPLICATE – Other instructions on page 2. | | 7. If Unit of CA/Agreement, Name and/or No. NMNM-133816 | |
| . Type of Well Oil Well Gas Well Other | | 8. Well Name and No. Navajo 21-7-24 #4 | |
| . Name of Operator GG Interests I, Ltd co/o Nika Energy Operating | | 9. API Well No. 30-043-21238 | |
| a. Address . O. Box 2677 urango, CO 81302 3b. Phone No. (include area code (970) 259-2701 | | 10. Field and Pool or Exploratory Area Basin Fruitland Coal | |
| Location of Well (Footage, Sec., T.,R.,M., or Survey Description) nit O (SWSE) 680' FSL & 1960' FEL ection 24, T21N-R7W | | 11. County or Parish, State Sandoval County, NM | |
| 12. CHECK THE APPROPRIATE BOX(ES) TO INDIC | CATE NATURE OF NOTION | CE, REPORT OR OTHI | ER DATA |
| TYPE OF SUBMISSION | TYPE OF ACT | TON | - |
| Notice of Intent Acidize Deeper Alter Casing Fractur | e Treat Recl | uction (Start/Resume) amation | Water Shut-Off Well Integrity |
| Subsequent Report Change Plans Plug ar | nd Abandon Tem | omplete porarily Abandon | Other Completion Update |
| Final Abandonment Notice Convert to Injection Plug B 3. Describe Proposed or Completed Operation: Clearly state all pertinent details, inc | | er Disposal | |
| 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.) See Sundry Notice dated 2/4/2015). (TD reached 1/31/2015). MIRU 4/21/2015. Run 250 to 2000 psi test on BOP, WH & csg for 30 min, OK. TIH with 3-7/8" bit, bit sub, 4-1/2" csg scraper, two 3-1/8" DC and 20 and 1/2 its new 2-3/8" work string tbg to plug @ 736.60' KB. Circ hole clean. On 4/22/2015, run GR/CCL/CBL logs from PBTD 729' KB to surface. Perf FT coals with 3-1/8" csg gun, 4 spf, 120 degree phasing, shot intervals 644-660' KB, total of 64 holes. On 5/1/2015 acidize and frac as follows: Pumped 500 gal 15% acid, pumped 26,407 gal Delta 140-20# w/SWAT frac fluid; pumped 646.2 sx 20/40 PR w/max BH sand concentration of 5.4 lb/gal. Pumped coated 646.2 sx 20/40 PR with SW-max @ concentration of 2.0 gal/mlbs starting @ the 1# treatment sand stage, pumped 490 gal wtr frac G & 26,407 gal of Delta 140A 20%. Avg rate 23 BPM @ avg WHTP 615 psi. ND HES, secured location on 5/1/2015. | | | |
| Operator will clean out and run pump and tbg the latter part of May, 2015. | | | |
| OIL CONS. | DIV DIST. 3 | ACCEPTED F | OR RECORD |
| MAY 2 | 2 2015 | MAY 1 | 8 2015 |
| | | FARMINGTON FIELD OFFICE BY: TE SALVETS | |
| | | | |
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) | | | |
| William (Tripp) Schwab, III | Title Agent for SG Interests I Ltd | | |
| Signature OF | Date 05/11/2015 | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | |
| Approved by | | | |
| 121 Comment of any anatomical Access 1 Cd (1997) | Title | | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or content the applicant holds legal or equitable title to those rights in the subject lease which wo | | | |

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.

entitle the applicant to conduct operations thereon.