

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 13 2015

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

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.

Farmington Field Office
Bureau of Land Management

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 co/o Nika Energy Operating

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 (NESE) 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, NM

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 type="checkbox"/> Other Completion Update
	<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.)

(See Sundry Notice dated 1/27/2015). (TD reached 1/20/2015). MIRU 4/22/2015. 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 21 jts new 2-3/8" work string tbg to plug @ 686.23' KB. Circ hole clean. On 4/23/2015, run GR/CCL/CBL logs from PBTD 766' KB to surface. Perf FT coals with 3-1/8" csg gun, 4 spf, 120 degree phasing, shot intervals 674-691' KB, total of 68 holes. On 5/1/2015 acidize and frac as follows: Pumped 500 gal 15% acid, pumped 27,439 gal Delta 140-20# w/SWAT frac fluid; pumped 681.4 sx 20/40 PR w/max BH sand concentration of 5.4 lb/gal. Pumped coated 681.4 sx 20/40 PR with SW-mal @ concentration of 2.0 gal/mlbs. Starting @ the 1# treatment sand stage, pumped 459 gal wtr frac G & 27,439 gal of Delta 140A 20%. Avg rate 23 BPM @ avg WHTP 607 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 FOR RECORD

MAY 22 2015

MAY 18 2015

FARMINGTON FIELD OFFICE
BY: TL Salyers

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

Date 05/11/2015

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)