

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NMNM-702

6. If Indian, Allottee or Tribe Name

7. Unit or CA/Agreement, Name and/or No.

Well Name and No.

Federal 29-10-31 #2

9. API Well No.

30-045-28802

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd. (c/o Sagle & Schwab Energy Resources)

3a. Address

P.O. Box 2677 Durango, CO 81302

3b. Phone No. (include area code)

970/259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

870' FSL, 1725' FWL Section 31, T29N, R10W
SESW

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☒ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

13. Describe Proposed or Completed Operations (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 recomple 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SG Interests requests approval to construct a gas line to tie the Federal 29-10-31 #2 into a Williams Field Service line and place the well on production. A steel line will be laid on the South and West side of the existing lease road. (see attached survey plat and map). Line is on lease.

Total length of line is 861.95'. Requested R-O-W width is 40'.

Line will be 3.5" OD, .156" wall thickness with 12-14 mils FBE coating. Line will be tested to 750 psig using N2.

An archeology report will be prepared. BLM will be consulted before the archeological inspection.

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

Name (Printed/Typed)

Robert J. Sagle

Title

Agent

Signature

Date

4/25/03

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

EPS

Date

6/4/03

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

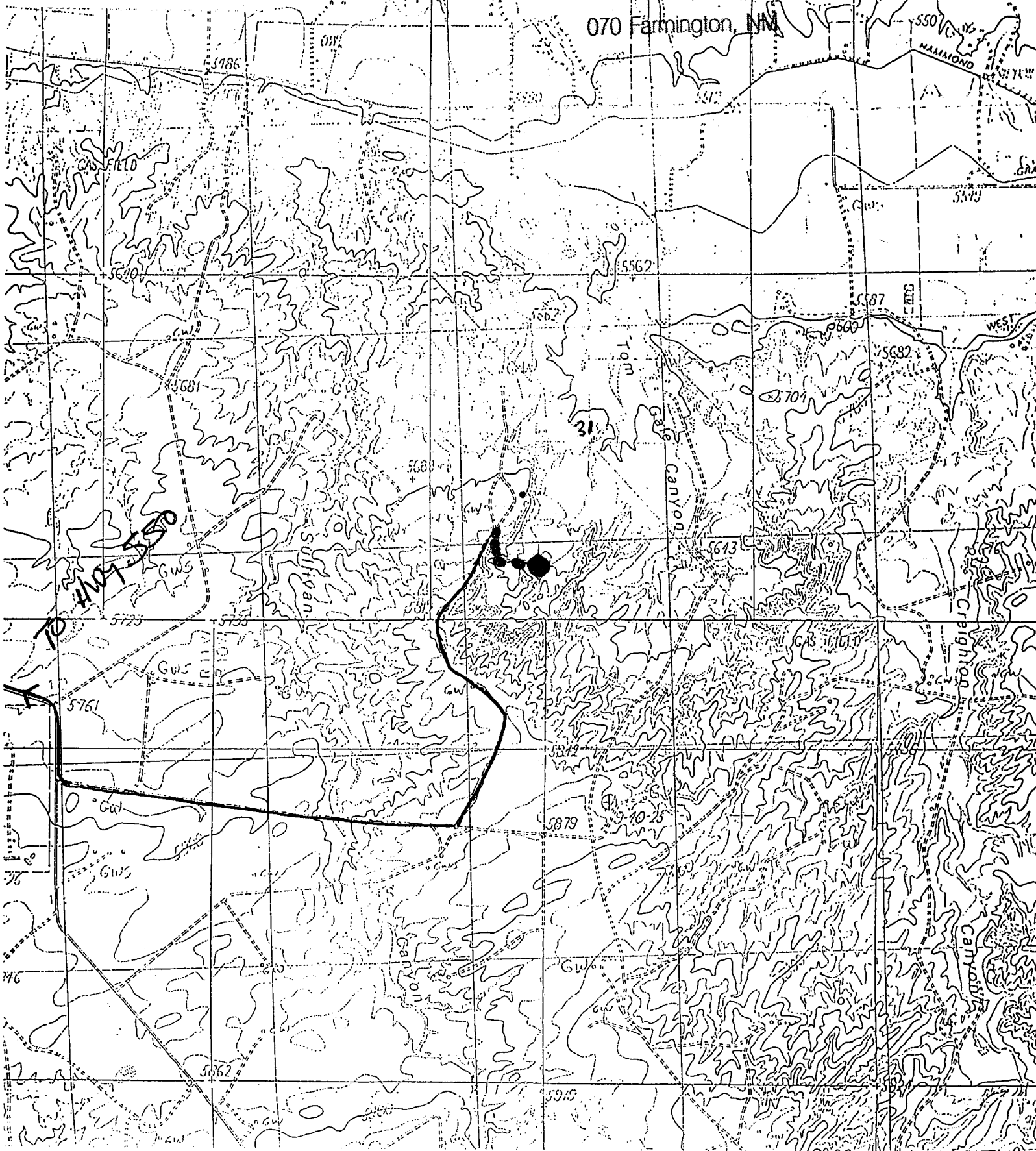
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

NMOC

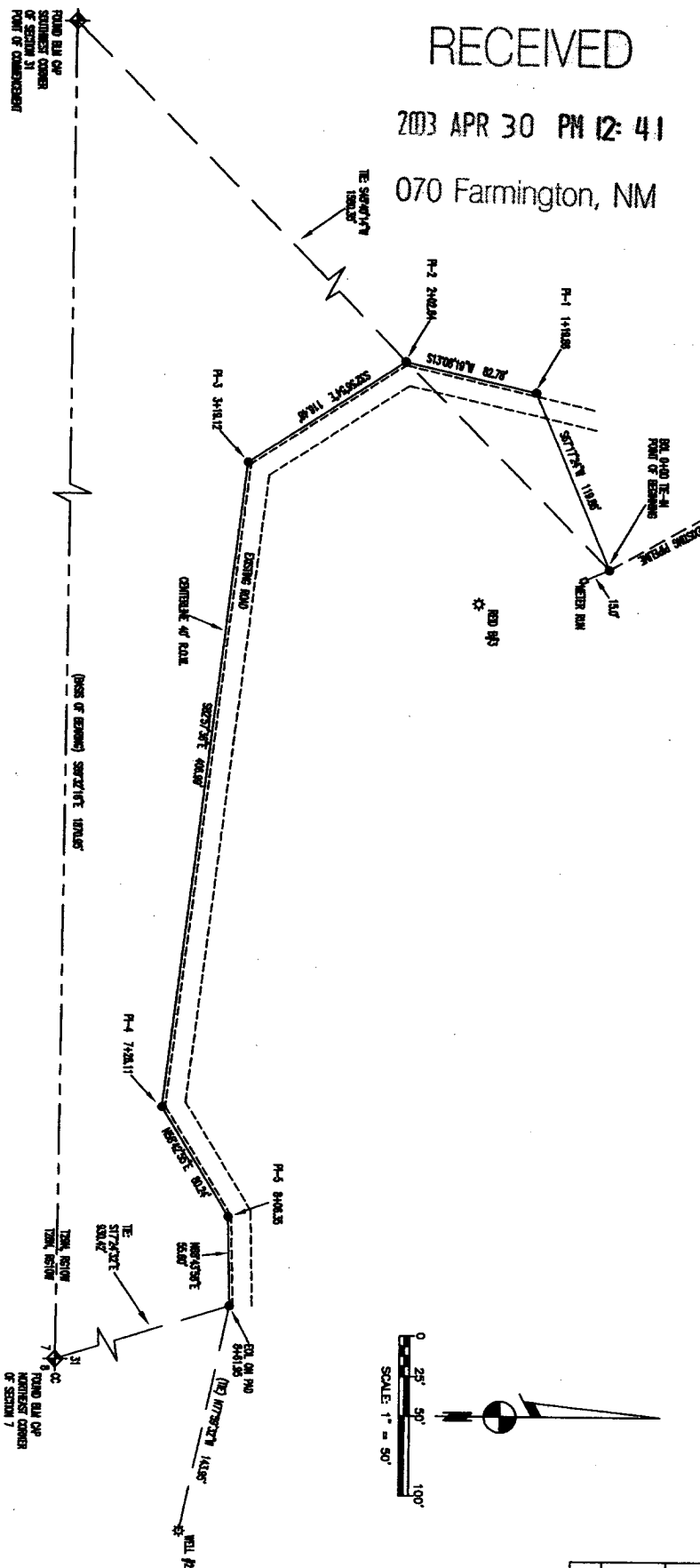
RECEIVED

070 Farmington, NM



SG INTERESTS I, LTD.
FEDERAL 29-10-31 #2
SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 29 NORTH,
RANGE 10 WEST OF THE N.M.P.M., SAN JUAN COUNTY, STATE OF NEW MEXICO

070 Farmington, NM

[illegible]

BEHAVIORS ARE BASED UPON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 31, T25N, R10W BEARING SURVEY OF AS DOCUMENTED AND SHOWN HEREIN.

LINE CROSSINGS
1-400 CENTERLINE OF ROAD

CERTIFICATE OF SURVEY

I, WILLIAM E. BURRAGE II, DO HEREBY CERTIFY THAT MONITORED, AND AM RESPONSIBLE FOR, THE SURVEY SPREAD SHEET, AND FOR THE SURVEY AND PLAT MET THE MINIMUM STANDARDS FOR SURVEYING IN THE STATE OF TEXAS.


WILLIAM E. HARRISON, JR. DATE NOV 16 1960 U.S. 8468
UNLESS SIGNED, SIGNED AND DATED THIS IS A DECLARATION OF PAT.

Scale : 1"= 50'
 Surveyed By : MAHNE
 Drawn By : MIKE
 Checked By : SWANSON
 File : E:\JOBS\MIKE2003\3074
 Date : 3-24-03

PROPOSED PIPELINE FOR

SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 28 NORTH,
RANGE 10 WEST OF THE N.M.P.M., SAN JUAN COUNTY, STATE OF NEW MEXICO

CLIENT: SG INTERESTS I, LTD
c/o SAGLE and SCHWAB ENERGY RESOURCES
P.O. BOX 2677
DURANGO, CO 81302

 Powers Elevation Surveying Co., Inc.
LAND SURVEYORS
7800 MILLER DRIVE UNIT "C"
FREDERICK, COLORADO 80504 (303)708-1017