



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm

In Reply Refer To:
Navajo 20-6-5 #2
3162.3-1 (NMF0110)

SG Interest
P.O. Box 2677
Durango, CO 81302

OIL CONS. DIV DIST. 3

DEC 18 2017

Dear Mr. Schwab,

The following approved permit from your company has expired on its own terms. Per Onshore Order No. 1, III G.1, once approved, an APD is valid for 2 years. Per operator submitted request, the BLM may extend the APD's validity for up to 2 additional years. The Navajo 20-6-5 No. 2 APD have gone past this 4 year time frame outlined in the regulations.

Navajo 20-6-5 #2 located 670' FNL & 1017' FWL, Sec 5, T. 20 N., R. 6 W., McKinley County, New Mexico, Federal Indian Mineral Lease N0-G-0203-1570, API Number: 30-031-21106

In view of the foregoing, this office has withdrawn this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Please file the letter within 30-days of receipt of this notice.

Any surface disturbance conducted must be rehabilitated in accordance with the standards and guideline established by this office. Please contact Sarah Scott, environmental Protection Specialist Supervisor at (505)564-7689 or email at sscott@blm.gov for information or inspections.

If you have any questions please don't hesitate to contact Cynthia Marquez at the address above, e-mail cmarquez@blm.gov or phone (505) 564-7754 or Abdelgadir Elmadani Petroleum Engineer at (505) 564-7742.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Office. Such a request, including all supporting documents,

NMOSD - correct API #
AV 30.031-21100

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must be filed in writing within 20 business days of receipt of this notice and must be filed with the state director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-05115. Such a request will not result in a suspension of the instructions, orders or decisions, unless reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR3165.4 and 43 CFR 4.400 et Seq.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Mankiewicz", with a large, stylized flourish at the end.

Dave Mankiewicz 12/08/17
Assistant Field Manager, Minerals

Distribution

FIMO-1

NMOCD-1

Well File: Navajo #2 20-6-5

NMF0110: CMarquez: cm: 12/06/17 X7741: UAPD

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

RECEIVED
JUL 02 2008

NOS: 7-2-08
 PDP: 7-9-08
 MP: BIA
 SMA: BIA BOND
 BOND: BIA BOND
 CAPA: NEEDS
 FORM APPROVED
 OMB NO. 1004-0136
 Expires: January 31, 2004

*Comstock
Lot 3, 4, 5, 2 NW
Expires 2-28-09*

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

50 Lease Serial No.

NOG-0203-1570

6. If Indian, Allottee or Tribe Name

NAVAJO ALLOTMENT

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

8. Lease Name and Well No.

NAVAJO 20-6-5 #2

9. API Well No.

30-031-21106 #2

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. Sec., T., R., M., or Blk. And Survey or Area

Lot 4, Section 5, T-20-N, R-6-W, NMPM,

12. County or Parish

McKinley

13. State

NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 19.2 miles southwest of Counselor Trading Post, NM off US Highway 550.

15. Distance from proposed* location to nearest property or lease line, ft.

(Also to nearest drlg unit line, if any) 670'

16. No. of Acres in lease

136.65 Acres

17. Spacing Unit dedicated to this well

W1/2, 269.65 Acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

See Attached map

19. Proposed Depth

1000'

20. BLM/ BIA Bond No. on file

BIA Bond Number-LPM 8842198

21. Elevations (Show whether DF, RT, GR, etc.)

6714 GR

22. Approximate date work will start*

as soon as permitted

23. Estimated Duration

1 month

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by existing bond on file (see item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

[Signature]

Name (Printed/ Typed)

Juan E. Betoni

Date

6-13-07

Title

Land Consultant

Approved By (Signature)

Name (Printed/ Typed)

Date

Title

Office

Application approval 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 operations thereon.

Conditions of approval, if any, are attached. *** High Priority: Vulnerable Area**

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 reverse)

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

FARMINGTON

This action is subject to technical and procedural review pursuant to 43 CFR 3165.4 and appeal pursuant to 43 CFR 3165.4

OIL CONS. DIV DIST. 3
DEC 1 2007
7-13-10
APD APPROVED
29.10 cm
7-14-08
RECEIVED
JUN 13 2007
FEDERAL INDIAN MINERALS OFFICE

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

OIL CONS. DIV DIST. 3

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DEC 18 2007

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Basin Fruitland Coal	
4 Property Code		5 Property Name NAVAJO 20-6-5			6 Well Number 2
7 OGRID No.		8 Operator Name SG INTERESTS I, LTD.			9 Elevation 6714

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	20N	6W		670	North	1017	West	McKinley

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
"Dedicated Acres" 291.102 "Joint or Infill" "Consolidation Code" "Order No."									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

[Signature]
Signature
S.M. LIBBY
Printed Name
Agent - max.libby@dorellis-associates.com
Title and E-mail Address
June 13, 2007
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

16 Mar 2007
Date of Survey
[Signature]
Signature and Seal of Professional Surveyor
William F. Mahnke II
Certificate Number
8466



OIL CONS. DIV DIST. 3

DEC 18 2017

2007 JUN 13 PM 3:30

FORM APPROVED
OMB NO. 1004-0136
Expires: January 31, 2004

*Part of all 8 tracts
Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100
Expire 6/1/2008*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

1a. Type of Work DRILL REENTER
1b. Type of Well Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
NOG-0203-1570
6. If Indian, Allottee or Tribe Name
NAVAJO ALLOTMENT
7. If Unit or CA Agreement, Name and No.
8. Lease Name and Well No.
NAVAJO 20-6-5 #2

2. Name of Operator
SG Interest I, LTD

9. API Well No.
30-031-21100 ✓

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

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

10. Field and Pool, or Exploratory
Basin Fruitland Coal

4. Location of well (Report location clearly and in accordance with any State requirements. *)
At surface
670' FNL & 1017' FWL NWNW
At proposed prod. zone

11. Sec., T., R., M., or Blk. And Survey or Area
Lot 4, Section 5, T-20-N, R-6-W, NMPM,

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 19.2 miles southwest of Counselor Trading Post, NM off US Highway 550.

12. County or Parish
McKinley
13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)
670'

16. No. of Acres in lease
136.65 Acres

17. Spacing Unit dedicated to this well
29356
W1/2, 269.65 Acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
See Attached map

19. Proposed Depth
1000'

20. BLM/ BIA Bond No. on file
BIA Bond Number-LPM 8842198

21. Elevations (Show whether DF, RT, GR, etc.)
6714 GR

22. Approximate date work will start*
as soon as permitted

23. Estimated Duration
1 month

24. Attachments
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by existing bond on file (see item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/ or plans as may be required by the a authorized officer.

25. Signature
Juan E. Betoni

Name (Printed/ Typed)
Juan E. Betoni

Date
6-13-07

Title
Land Consultant

Approved By (Signature)
Stephen Mason

Name (Printed/ Typed)
Original signed: Stephen Mason
Office
FOO

Date
JUL 14 2008

Application approval 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 operations thereon.
Conditions of approval, if any, are attached.
High Priority - Vulnerable Area

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 reverse)

FARMINGTON

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
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Fee Lease - 3 Copies
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
Property Code		Property Name NAVAJO 20-6-5			Well Number 2
GRID No.		Operator Name SG INTERESTS I, LTD.			Elevation 6714

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	20N	6W		670	North	1017	West	McKinley

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 293.56 w/2		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>S.M. Libby</i> S.M. LIBBY Printed Name Agent - max.libby@dorellis-associates.com Title and E-mail Address June 13, 2007 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: 16 Mar 2007 Signature and Seal of Professional Surveyor: <i>William F. Mahnke II</i> Certificate Number: 8466</p>

OIL CONS. DIV DIST. 3
DEC 18 2017