

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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NOV 15 2018

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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. NM 077968

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.
14-08-00018196

8. Well Name and No. SE Cha-Cha Unit #36

9. API Well No. 30-045-24159

10. Field and Pool or Exploratory Area
SE Cha-Cha Gallup

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit 2: 1665' FSL, 2060' FEL Sec 8-T28N-R13W (NWSE)

11. Country or Parish, State
San Juan 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 checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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
	<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 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 must 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 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.)

SG Interests I, Ltd proposes to re-perforate the subject well. Currently the well is completed in the Gallup "A" Zone (Tocito) with 1 shot per foot from 5626' KB to 5636' KB, 10 shots total. SG Interests I, Ltd. proposes to re-perforate the 10' zone with 4 shots per foot, 120 degree phasing, adding an additional 2' from 5624' KB to 5626' KB also perforated with 4 shots per foot, 120 degree phasing. This will bring the total zone perforated to 12', and 48 shots.

SG Interests I, Ltd. then proposes a 1500 gallon, 15% DI, HCl acid breakdown under a packer. The packer will be pulled, the well swabbed clean, and a new pump run before placing the well back on production.

The well is currently down for pump problems related to scale and will need an acid job and pump change regardless. SG Interests I, Ltd would like to use this opportunity to re-perforate this zone.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NMOCD

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

NOV 29 2018

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

William Schwab III

Agent for SG Interests I, Ltd.

DISTRICT III

Signature

Date

11/13/2018

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

PE

Date

11/28/18

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

FFU

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)

If perforations are above or below
existing perfs please file: c-104 and
Completion Report to include new perfs
before returning to production