

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

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

FEB 13 2019

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

Farmington Field Office  
Bureau of Land Management

5. Lease Serial No.  
NM 99737

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
Federal 21-7-19 #3

9. API Well No.  
30-043-21049

10. Field and Pool, or Exploratory Area  
Basin Fruitland Coal

Sandoval County, NM

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  
PO 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)  
Unit 4: (SWSW)  
Sec 19-T21N-R7W 759' FSL, 1202' FWL

12. CHECK 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"/> 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
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input checked="" 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 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 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 shall 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 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 proposes to TA the subject well as per the Temporary Abandon aattached. Work will commence as soon as possible after approval.

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

Notify NMOCD 24 hrs prior to beginning operations

NMOCD

FEB 22 2019

DISTRICT III

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 February 11, 2019

THIS SPACE FOR FEDERAL OR STATE USE

Approved by 	Title PE	Date 2/20/19
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 FTO	

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)

NMOCD

# SG Interests I, Ltd.

## Federal 21-7-19 #3

SWSW, Sec. 19, T21N-R7W

Lat 36.03173° N, -107.62233° W

Sandoval County, NM

API # 30-043-21049

February 2019

Temporarily Abandon

TS

GL:	6681'
TD:	675' KB
PBTD:	614' KB
KB:	5'
CSG:	655' KB, 17 jts, 4-1/2", 10.5#, J-55
Perforations:	383'-466' gross interval
Rathole:	148'
Tbg:	Landed @ 526' KB, NC, 16 jts 2-3/8", 4.7#, J55 tubing. SN on top of btm jt @ 494' KB
Pump & Rods:	2 x 1-1/2" x 12' RWAC-DV insert pump, No Tag tool, 2ea 1-1/4" sinker bars, 17ea 3/4" rods w/ molded guides, & 1ea 6' pony rods.
Current Production:	0 MCFD, 0 BWPD
Expected Production:	0 MCFD, 0 BWPD

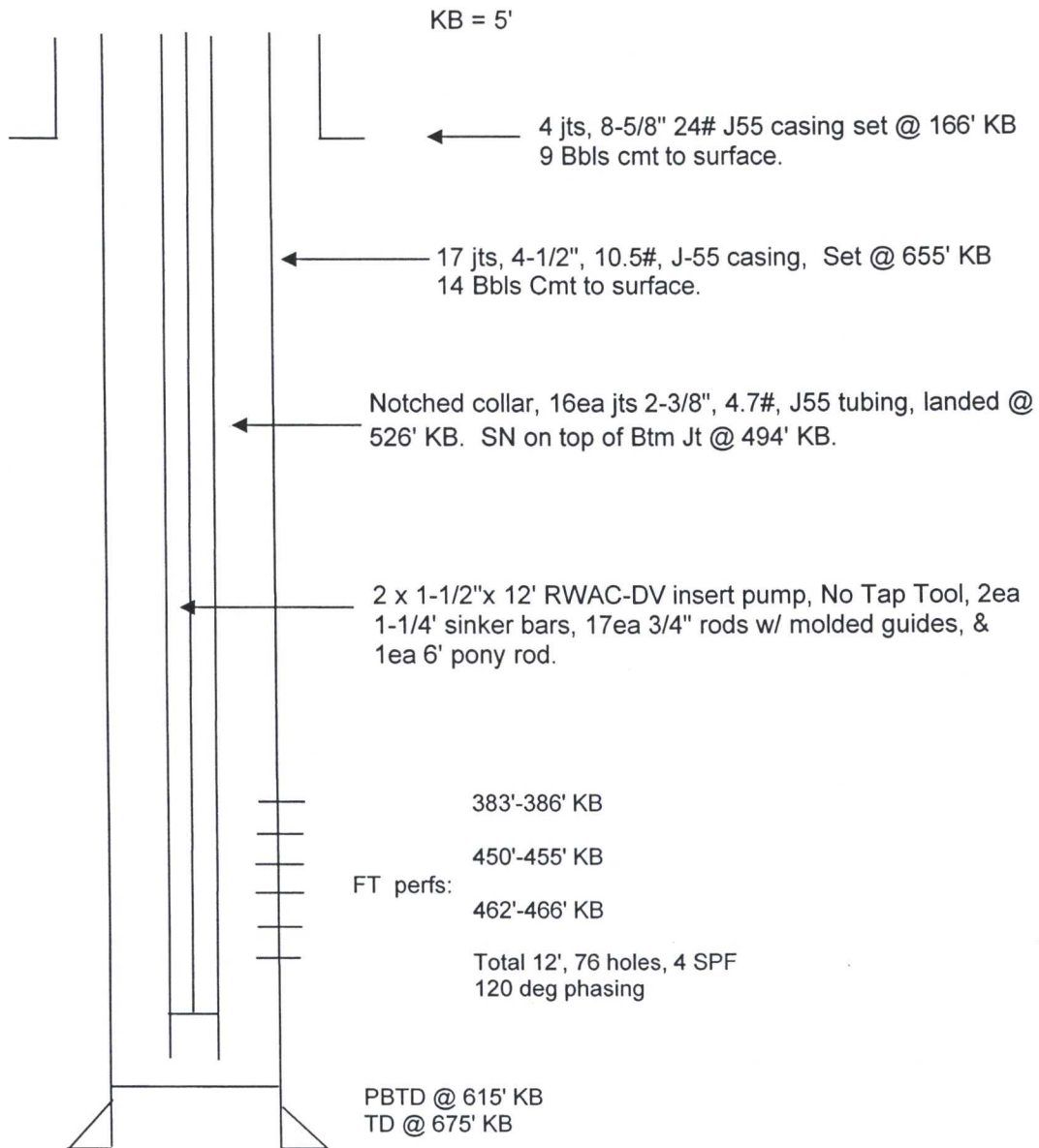
Well History:

7/09 Initial Completion

### Directions:

From Red Mesa Station at US Hwy. 550, and SJ County Road 7900 travel south on SJ County Rd 7900 15.5 miles to the intersection of SJ Co. Rd 7900 and the new access road. Turn right on new access road, travel southwest 1.3 miles to location.

### Current Wellbore Diagram





**Procedure:**

*Note: 1) Take accurate tallies and counts of tbg, rods and setting depths.  
Report same.*

*Note: 2) May have to replace tubing string if it does not test OK.*

*Note: 3) Cell Phone service is nonexistent to limited on location.*

*Note: 4) Comply with all safety and environmental requirements.*

*All workover fluids (rig pits, flow back tanks, frac tanks)*

*Will be hauled to nearest available legal disposal site.*

*Note: 5) BLM & NMOCD must be Notified 24 hrs in advance of any cementing  
or casing test operations.*

- 1) Test rig anchors if needed. Use water truck for fresh water tank.
- 2) MIRUSU. Record bradenhead, casing and tubing pressures. Report any problem pressures. Blow down and kill well as necessary.
- 3) POOH, with rods and pump, laying down on trailer. Send pump to Energy Pump and rods/sinker bars to M&R yard.
- 4) NDWH & NUBOP. RU Tuboscope. POOH, standing back good tubing. Laydown reject tubing. Pull yellow band from M&R stock or Cave for work string, if needed.
- 5) RIH with bit and scraper checking for scale and/or fill. If fill is 383' KB or below, do not CO. If fill is above 383' KB, TOO H, RU bailer and CO to 383' KB. TOO H, standing back tubing, lay bailer on bank.
- 6) RIH and set CIBP @  $\pm 373'$  KB. Pull up one jt & circulate hole with fresh water.
- 7) RU XXXX Testing & test/chart casing to 500#. RD XXXX. Blow down. If casing does not test look for leak & remediate. Additional instruction will be provided based on conditions.

- 8) If casing tests OK, RDBOP. RUWH. Top off casing with fresh water and add packer fluid. Shut in WH and plug all openings with tapped bull plugs and needle valves.
- 9) RDMOSU. Police location for trash and equipment. Haul tubing to M&R Yard.

**Important Numbers:**

Regulatory

BLM	505-564-7600	Main Switchboard
NMOCD	505-334-6178	Monica Kuehling

WO Issues:

Tripp Schwab	970-259-2701 970-769-3589 970-769-3589	Office Mobile Home
Brad McKinney	970-749-2163	Mobile
Levi Casaus	970-426-1272	Mobile
RJ McKinney	480-694-6519	Mobile

**Vendor List**

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Dirt Contractor	Bridge Dozer Robert Bridge	Home	505-289-4048 Cell 505-249-6942
Pit Liner	see Dirt Contractor		
Anchors	Mote	Off	505-325-9711 Off 505-325-1666
Rod Pumps etc.	Energy Pump and Supply Gary Noyes	Off	505-564-2874
PC Pump	Weatherford ALS Dave Cox	Off	505-564-8381
Tubing Inspection	Tuboscope Bruce Hare	Off	505-333-2224
Tubing	Cave Jim Cave	Off	505-325-3401
Cement	Halliburton Josh Lynch	Off	505-210-2120
Wellhead Equipment	WSI Linda	Off	505-326-0308
Logging / Perforating	Basin Well Logging Dana McGarrah	Off	505-327-5244
Water Hauling & Frac Tank	CNJ Trucking Craig Nelson	Off	505-320-8345
Frac Tank & Heavy Hauling	Lindrith Backhoe	Cell	505-320-5460
Light Trucking / Hotshot	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
Rig Move	Lindrith Oilfield Service		

**Vendor List Cont.**

Porta Johns	Cabannas	Off	505-325-5835
	Hal Stone	Cell	505-330-7566
Drywatch	Double S Hot Shot	Cell	505-334-3850
	Debbie and Larry Slavin		
BOP Testing	TBD		
Roustabout	Keystone		505-334-8462
	Randy Schreffler		
BOP Rental	TBD		
Rig	TBD		
Drywatch	Double S Hotshot	Cell	505-334-3850
	Debbie & Larry Slavin		