

RECEIVED

FORM 3160-4  
(July 1992)

MAY 12 2008

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

UNITED STATES Bureau of Land Management  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5 LEASE DESIGNATION AND SERIAL NO  
NMNM113429

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
OIL CONS. DIV.

8 FARM OR LEASE NAME, WELL NO  
FEDERAL 21-6-28 SWD #33 (36712)

9 API WELL NO.  
30-043-21054

10 FIFTY AND POOL OR WILDCAT  
Bldg; Morrison Bluff Entrada (96162)

11. SEC., T., R., M., OR BLOCK AND SURVEY  
OR AREA  
"M"  
(SWSW) Sec 28-T21N-R6W

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WORK  
OIL WFT  GAS WFT  DRY  Other SWD Injection

1b. TYPE OF WELL  
NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF RESVR.  Other

2 NAME OF OPERATOR  
SG INTERESTS I LTD, c/o Nika Energy Operating, LLC (20572)

3. ADDRESS AND TELEPHONE NO.  
PO Box 2677, Durango, CO 81302 (970) 259-2701

4 LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)\*  
At Surface  
Unit M: Sec 28-T21N-R6W, 660' FSL, 660' FWL (SWSW)  
At top prod. Interval reported below

At total depth  
Same  
14. PERMIT NO. DATE ISSUED  
9/27/07

12. COUNTY OR PARISH  
Sandoval  
13 STATE  
NM

15 DATE SPUNDED 12/19/07  
16. DATE T.D. REACHED 6609' KB 1/8/08  
17. DATE COMPL. (Ready to prod) 3/7/08  
18. ELEVATIONS (DF, RKB, RT, GR, ETC)\* 6862' GR  
19. ELEV. CASINGHEAD --

20 TOTAL DEPTH, MD & TVD MD 6609' TVD  
21 PLUG, BACK T.D., MD & TVD MD 6563' TVD  
22. IF MULTIPLE COMPL., HOW MANY\* 1  
23. INTERVALS DRILLED BY  
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\*  
Injection Zone: Middle Entrada 6388'-6443'; Upper Entrada 6312'-6370'

25. WAS DIRECTIONAL SURVEY MADE Yes  
26. TYPE ELECTRIC AND OTHER LOGS RUN  
GR/MAI-C/MPD/MDW-C/MML-C (6609'-surf csg shoe 1146'); GR/CCL/CBL (from PBD, 6563' WLM, to surf; No  
27. WAS WELL CORED

23 CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" J-55	36#	1146' KB	12-1/4"	650 sx CL 'A'; Circ 55 Bbls to surf	
7" N-80	23#	6607' KB	8-3/4"	295 sx Type 5; Circ 20 B/mud	
				980 sx 50/50 Poz;	
				100 sx Type 5;	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
3-1/2"	6258' KB	6245' KB

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
6492'-6460' Lower Entrada 4 spf - all shots fired		
6443'-6388' Middle Entrada 4 spf - all shots fired		
6370'-6312' Upper Entrada 4 spf - all shots fired 164 shots		

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6492'-6460'	800 gal 15% DIHCl Fe acid
6443'-6388'	1500 gal 15% DIHCl Fe acid; 200-7/8" balls;
	500 gal 15% HCl; 58,466 Delta 200 w/SWNT ff;
	1100 sx 20/40 Brady sand
6370'-6312'	1600 gal 15% Fe; 200 Bio balls

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)
1st Injection 4/1/08		Injecting Produced Water

DATE OF TEST N/A

HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL	GAS--MCF.	WATER--BBL	GAS-OIL RATIO
N/A						

FLOW. TUBING PRESS

CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL	GAS--MCF	WATER--BBL	OIL GRAVITY-API (CORR.)

34 DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
N/A  
TEST WITNESSED BY

35. LIST OF ATTACHMENTS  
All electric logs were sent directly to the New Mexico Oil Conservation Division

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED Marcia Stewart TITLE Agent for SG Interests I Ltd DATE 5/9/2008

(See Instructions and Spaces for Additional Data on Reverse Side)

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.

ACCEPTED FOR RECORD

non-well POS is 2836969  
SWS-1104

MAY 12 2008

NMOCD

FARMINGTON FIELD OFFICE

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			No cores were taken; no DST's were run.			
				Picture Cliffs	800'	
				Hufito Bentonite	1000'	
				Charcra	1343'	
				Laventana MV	1517'	
				Cliffhouse	1842'	
				Point Lookout	3127'	
				Mancos	3274'	
				Gallup	4190'	
				Dakota	5135'	
				Morrison	5345;	
				Bluff	5738'	
				Entrada	6294'	