

(See other instructions on reverse side)

NOV 04 2008

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO

NMNM99732

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Report to lease

8. FARM OR LEASE NAME, WELL NO

FEDERAL 21-6-30 #1

9. API WELL NO

30-043-21058 -0001

10. FIELD AND POOL OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 30-T21N-R6W

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL
WELL ☐

GAS
WELL ☒

DRY ☐

Other

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

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 A: 770' FNL, 1125' FEL (NENE)

At top prod. Interval reported below

At total depth

Same

14. PERMIT NO.

DATE ISSUED

2/5/08

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPUNDED

7/15/08

16. DATE T.D. REACHED

7/21/08

17. DATE COMPL (Ready to prod.)

10/20/08

18. ELEVATIONS (DF, RKB, RT, GR, ETC)*

6812' GR

19. ELEV CASINGHEAD

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20. TOTAL DEPTH, MD & TVD

MD 1045' TVD

21. PLUG, BACK T.D., MD & TVD

MD 980' TVD

22. IF MULTIPLE COMPL., HOW MANY*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0'-1045'

CABLE TOOLS

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24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Fruitland Coal 732'-738'; 747'-750'; 762'-778'

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/CBL/CCL PBTD (980') to surface csg

25. WAS DIRECTIONAL SURVEY MADE

Yes

27. WAS WELL CORED

No

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
8-5/8" J-55	24#	215' KB	12-1/4"	159 sx; Circ 11 Bbls to surf	
4-1/2" J-55	10.5#	1038' KB	7-7/8"	350 sx; circ 16 Bbls to surf	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	837'; SN @ 802'	

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

INTERVAL

SIZE

NUMBER

New Perfs:

732'-738' (6')

3-1/8" csg gun, 4 spf, 120 deg phasing

747'-750' (3')

762'-778' (16')

Total 100 holes - all shots fired

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
732'-778'	500 gal acid; 831 B/DynaFrac 20
	100,420# 20/40 Brady Sand
	11B/flush

33.*

PRODUCTION

DATE FIRST PRODUCTION

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)

Pumping

WELL STATUS (Producing or shut-in)

Shut in/WO Pipeline

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD'N. FOR TEST PERIOD

OIL--BBLs

GAS--MCF

WATER--BBL

GAS-OIL RATIO

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.)

Will be sold as soon as connected to pipeline

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

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

ACCEPTED 10/28/08 RD

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 or to any matter within its jurisdiction

NMOCD

8/12

NOV 5 2008

FARMINGTON FIELD OFFICE
BY T. SANCHEZ

copy to file

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); FEDERAL 21-6-30 #1				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	221'		No cores were taken; no DST's were run.			
Kirtland Shale	409'					
PC Sandstone	824'					
Huerfanito Bentonite	NDE					
NDE = NOT DEEP ENOUGH						