

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SG Interests I, Ltd. Attn: A. M. O'Hare

3. ADDRESS OF OPERATOR

P O Box 421, Blanco, NM 87412-0421

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1190' FNL & 790' FEL

At proposed prod. zone

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

20 miles South of Farmington, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1400'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

650'

16. NO. OF ACRES IN LEASE

1120

19. PROPOSED DEPTH

1950' / 1395'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

1/320

20. ROTARY OR CABLE TOOLS

Rotary

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

6120' GL

This action is subject to technical and
procedural review pursuant to 43 CFR 3185.3
and appeal pursuant to 43 CFR 3185.4.

22. APPROX. DATE WORK WILL START*

as soon as permitted

23.

AND CEMENTING PROGRAM DRILLING OPERATIONS AUTHORIZED ARE

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT ATTACHED
12-1/4"	8-5/8"	24#, J-55	250' 236 ft	118 class B 2% CaCl ₂
7-7/8"	5-1/2"	15.5#, J-55	1950' / 1395'	275 class B 2% CaCl ₂
			423 ft ³	w/ ADDITIVES

SG Interests I, Ltd., proposes to drill a vertical well to develop the Fruitland Coal formation at the above described site. The well will be drilled using a fresh water based low solids non-dispersed mud system. A double ram type blowout preventer and choke assembly will be used to maintain well control throughout drilling operations. A description of the BOP equipment and Choke assembly along with schematic sketches of the equipment are included as Exhibits to this application. A full suite of logs will be run upon reaching total depth. Both casing strings will be cemented to surface in separate single stage jobs. A high strength cement will be placed across the pay zone and at least 500 feet above the bottom of the hole. A minimum of six centralizer will be used to optimize placement of the cement around the pipe.

Formerly approved as Southland #88

If you have any questions please contact A. M. O'Hare at (505) 325-5599.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. A. M. O'Hare

SIGNED

TITLE Agent SG Interests

DATE

11/13/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL

RECEIVED

APPROVED
AS AMENDED

NOV 23 1992

NOV 20 1992

OIL CON. DIV.
DEC 3

MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-162
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

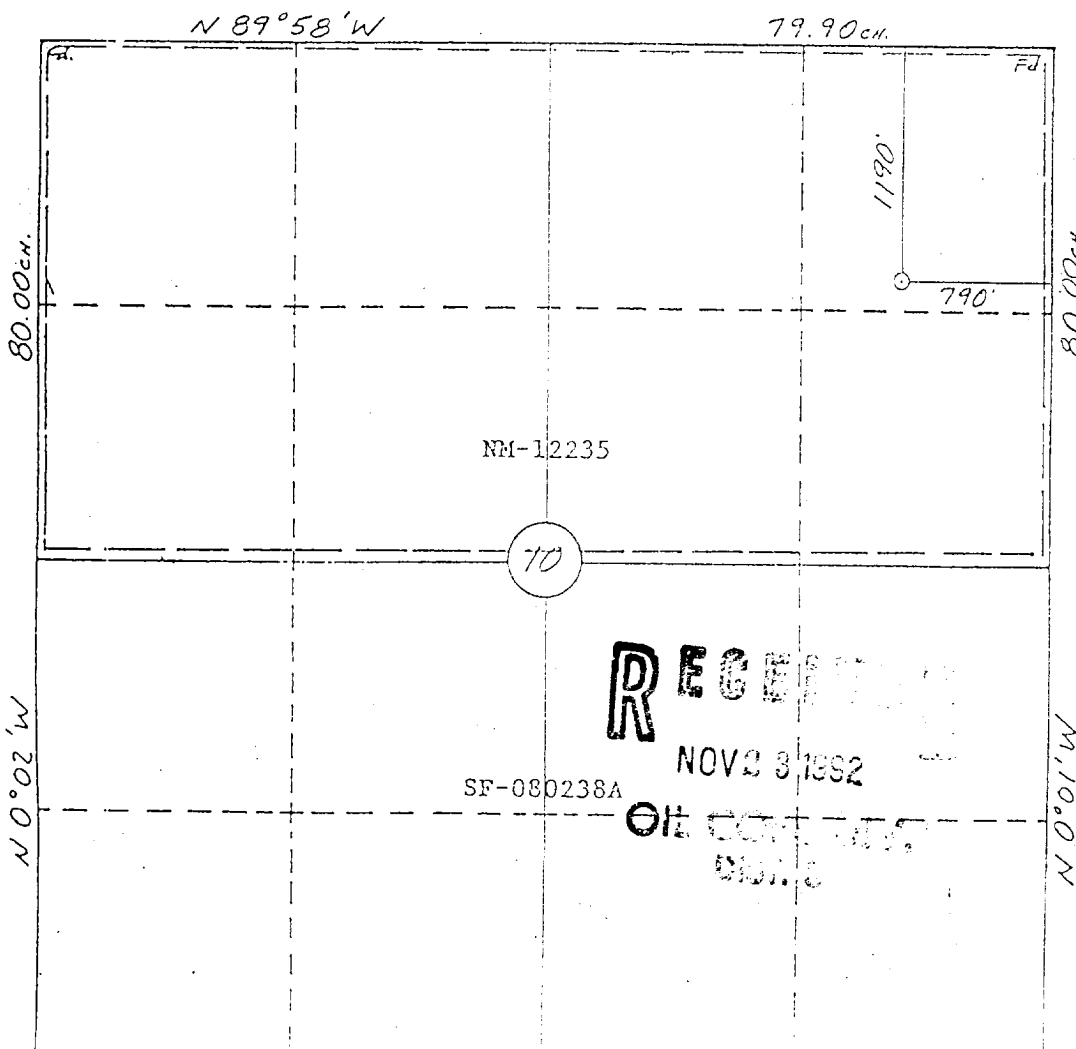
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator SG Interests I, LTD			Lease Gallegos Federal 26-13-10		Well No. 1
Unit Letter A	Section 10	Township 26 N	Range 13 W	County NMPM San Juan	
Actual Footage Location of Well: 1190 feet from the North line and 790 feet from the East line					
Ground level Elev. 6120	Producing Formation Fruitland		Pool Basin <i>Fruitland Coal</i>	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900 0



OPERATOR CERTIFICATION

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

Signature
A. M. O'Hare
Printed Name
A. M. O'Hare
Position
President/Maralex
Company
Agent SG Interests
Date
11/13/92

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 knowledge and belief.
4-13-90

Date Surveyed
William E. Mahuke II
Signature & Seal of Professional Surveyor
#8466
Certificate No.

