

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT *30-045-28833*

(Other instructions on
reverse side)

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

900' FSL & 700' FWL (SWSW)

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)

700'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3500'

16. NO. OF ACRES IN LEASE

~~1120~~ 560

19. PROPOSED DEPTH

~~1950~~ 1370'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

S/320

20. ROTARY OR CABLE TOOLS

Rotary

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

6108' GL

This action is subject to technical and
procedural review pursuant to 43 CFR 3105.3
and appeal pursuant to 43 CFR 3105.4.
PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

as soon as permitted

23.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
GENERAL CONDITIONS

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, J-55	250' 236 118	class B 2% CaCl ₂
7-7/8"	5-1/2"	15.5#, J-55	1950 1370'	275 class B 2% CaCl ₂
			422 ft ³	6/ 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 the Star Federal 24-2.
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 *A. M. O'Hare*

TITLE Agent SG Interests

DATE 11-16-92

(This space for operator's use only)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

NOV 24 1992
OIL CON. DIV.
DIST. 3

TITLE

NMOCD

*See Instructions 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.

5. LEASE DESIGNATION AND SERIAL NO.

NM-7787

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

13 Gallegos
Federal 26-13-24

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

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

11 Section 24, T26N, R13W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

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

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Dept.

Form C-204
Revised 1-1-89

OIL CONSERVATION DIVISION

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

RECEIVED
BLM

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

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

DISTRICT III
1030 Rio Brazos Rd., Aztec, NM 87410

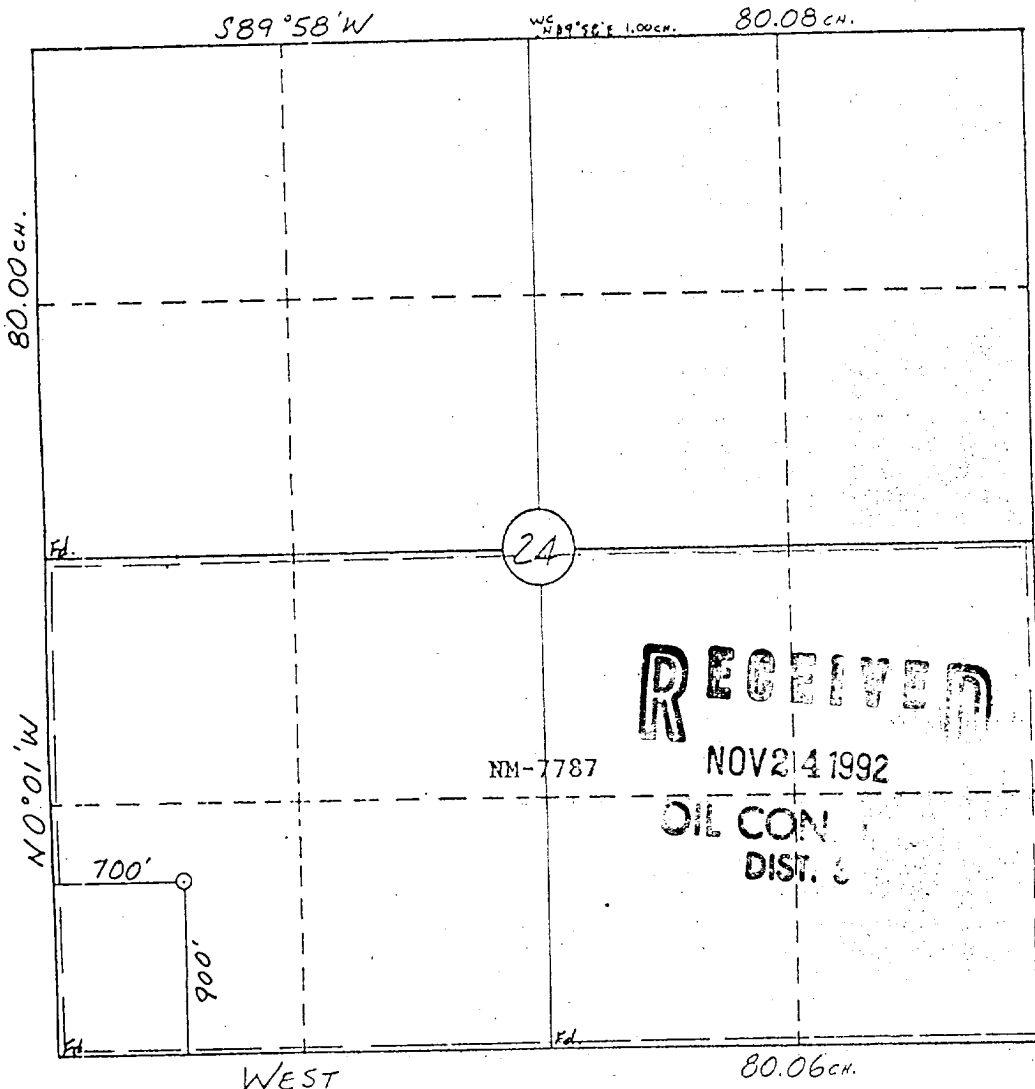
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

NOV 16 PM 2:47

Operator SG Interests I, Ltd.			Lease Gallegos Federal 26-13-24			Well No. 019 FARMINGTON, N.M. 2		
Unit Letter M	Section 24	Township 26 N	Range 13 W	County San Juan				
Actual Footage Location of Well: 900 feet from the South line and 700 feet from the West line								
Ground level Elev. 6108		Producing Formation Fruitland		Pool Basin <i>Fruitland Coal</i>		Dedicated Acreage: 320 Acres		
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>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.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>								

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



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: 11/16/92

SURVEYOR CERTIFICATION

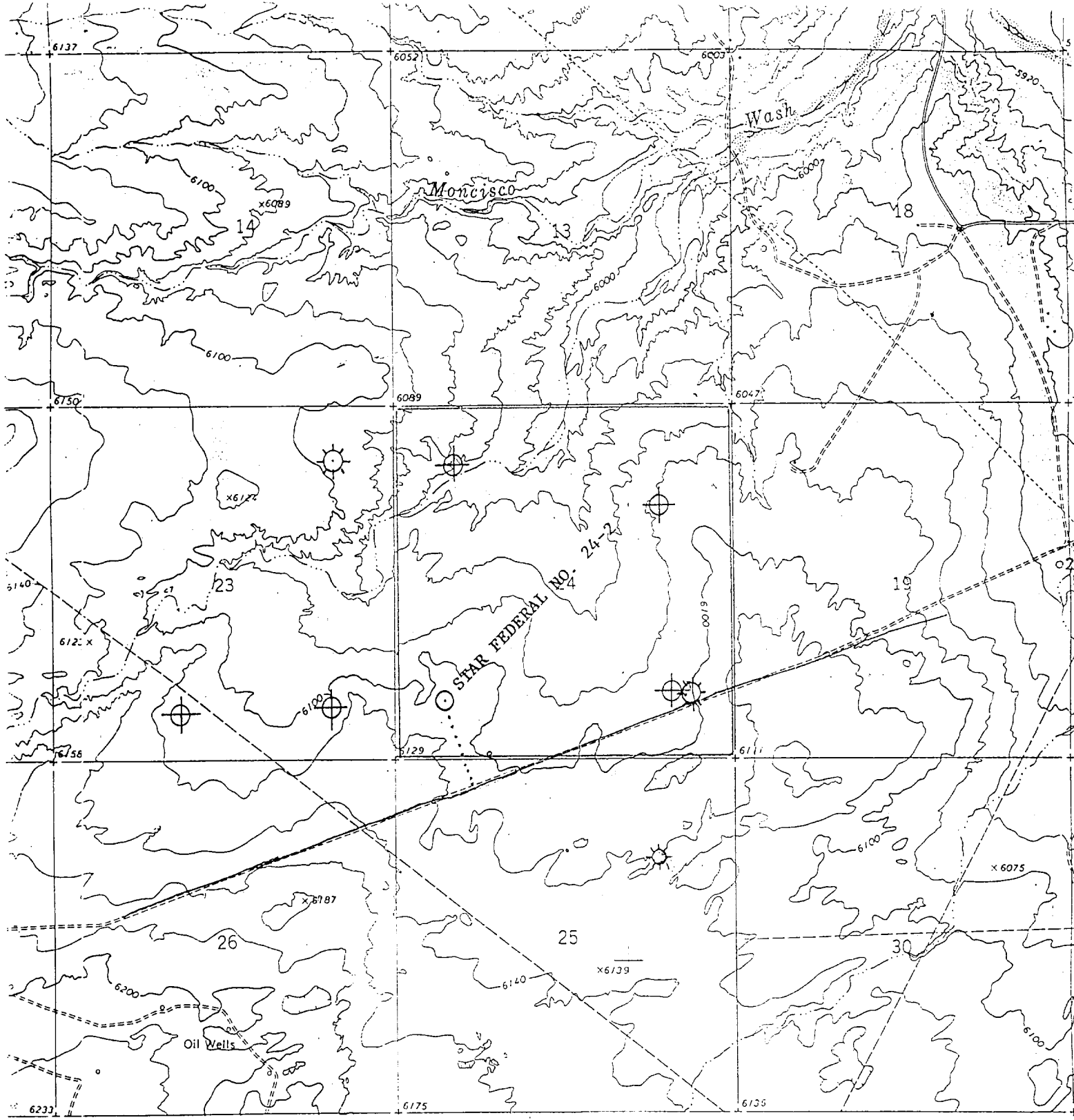
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

4-17-90

Date Surveyed
William E. Mahnke II

Signature & Seal of Professional Surveyor

WILLIAM E. MAHNKE II
NEW MEXICO
#8466
PROFESSIONAL LAND SURVEYOR



LEGEND

- PROPOSED WELL
- ☼ PRODUCING GAS WELLS
- ⊕ P&A WELLS
- EXISTING ROAD
- PROPOSED NEW ACCESS ROAD

SG INTERESTS I, LTD

Gallegos Federal 26-13-24 #2
 900' FSL & 700' FWL
 Section 24, T26N, R13W
 San Juan County, New Mexico