

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

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM013492
2. Name of Operator SG INTERESTS I, LTD, c/o SAGLE, SCHWAB & McLEAN ENERGY RESOURCES		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 2677, Durango, CO 81302	3b. Phone No. (include area code) (970) 259-2701	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1940' FNL, 885' FEL (SENE) Sec 20-T26N-R13W		8. Well Name and No. WEST BISTI 26-13-20 #1
		9. API Well No. 30-045-29005
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input 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 checked="" 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 Completion
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon Info
	<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 recompleate 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 recompleation 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.)

This well was drilled in November, 1993. It was shut in, WO approval for sales pipeline from the Navajo Nation. Approval was received from the Navajo Nation in October, 1999. MISURU 7/17/00. RU Blue Jet & ran CCL/CBL/GR from PBTD to 850'; ran csg inspection log from PBTD to surface. PU 4-1/2" pkr & RIH to 1250'. Press test csg from 1250' to PBTD: 4000 psi, 10 min, ok. Release pkr & RIH to 1515' - spot 200 gal DI HCL. Perf coal zones 1302'-05'; 1411-14'; 1439'-55'; 1464'-72'; 1512'-15' w/prem charge 3-1/8" gun, 4 spf, 90 deg phasing, total 132 holes. RIH w/spit tool & set in blank pipe; PT to 3000 psi, ok. BD zones w/15% DI HCL & overflush down BS. RIH w/fullbore on 40 jts 2-7/8" Buttress work string; set @ 1258'; install frac valve. Frac w/130,000# 20/40 sand & 91,224 gal 60-70 Q N2 foam. Avrg psi 2310 psi; max 2590 psi, flush to top of perms. Open well to pit & rel pkr; POOH w/2-7/8" work string. CO to PBTD w/N2 foam until no sand returns. CO well w/air/mist. RIH w/one cutoff jt (15.60'), SN (1.10'), & 48 jts 2-3/8" tbg (1531.24'); land tbg head in hanger w/btm of tbg @ 1550'; SN @ 1533'. RIH w/60 3/4" rods, 4 ea pony rods (8', 6', 4', 2'), & seat pump. Ck pump action to 600 psi (ok), and space out pump w/light tag 10 spm.. RDSU

Name (Printed/Typed) Marcia Stewart	Title Production Technician/Agent for SG Interests I Ltd
Signature <i>Marcia Stewart</i>	Date October 23, 2000

THIS SPACE FOR FEDERAL OR STATE USE		
Approved by	Title	Date
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	

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.