

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

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd. c/o Sagle, Schwab & McLean Energy Resources

3a. Address

PO Box 2677, Durango, CO 81301

3b. Phone No. (include area code)

(970) 259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2000' FSL, 1029' FWL (NWSW) Sec 20-T26N-R13W

5. Lease Serial No.

NMNM 013492

6. Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and or No.

Well Name and No.

EST BISTI 26-13-20 #2

9. API Well No.

30-045-29041

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recomple 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 recompletion 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 by Maralex Resources on behalf of SG Interests in January, 1994. An attempt to complete the well was made by Sagle, Schwab & McLean in July, 2000. A casing inspection log revealed corrosion damage & possible holes in the casing. SG has elected not to repair the well for production.

SG is requesting BLM approval to plug and abandon this well; a proposed procedure for the P&A, along with a wellbore drawing, is attached. Time will be needed to obtain Working Interest Owner approval, but SG plans to complete the P&A during the Fall of this year.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Marcia Stewart

Signature

Marcia Stewart

Title

Agent for SG Interests I Ltd

Date

August 27, 2001

Approved by

THIS SPACE FOR FEDERAL OR STATE USE

Title

Date

9/6/01

Office

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.

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.

Instructions on reverse)

NMOCD

SG Interests
West Bisti 26-13-20 #2
Plug and Abandon
August, 2001
RJS

TD: 1843'
PBSD: 1799'
Perforations: none
Rathole: N/A
TBG: none
Rods/Pump: none

Current Production: none
Expected Production: none

Workover History:

1/94: Spud. TD. Log Cement casing.
7/00: Begin completion operations. Found holes in csg during pressure testing.
Ceased operations.

Procedure:

- 1) MIRUSU. Check bradenhead pressure.
- 2) TIH w/ 2 3/8" tbg open ended to PBSD. Circ hole w/ city water.
- 3) Spot 70 sx class B cement plug (81 cu ft) from PBSD to 900'.
- 4) Spot 8 bbl 8.3 PPG gel from 900' to 450'.
- 5) Spot 35 sx class B cement plug (40 cu ft) from 450' to surface.
- 6) Install P&A marker. Re-contour and re-seed location.