

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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

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

WELL API NO.
30-045-29076

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

E-9707

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well:

OIL
WELL ☐

GAS
WELL ☒

OTHER

2. Name of Operator

SG INTERSETS LTD, c/o SAGLE, SCHWAB & McLEAN ENERGY RES

8. Well No.

WEST BISTI STATE 26-13-36 #2

3. Address of Operator

PO BOX 2677, DURANGO, CO 81302 (970) 259-2701

9. Pool name or Wildcat

Basin Fruitland Coal

4. Well Location

Unit Letter M 1192 feet From Th South Line and 819 feet From Th West Line

Section 36 Townshi 26N Range 13W NMPM San Juan County

10. Elevation (Show whether T/F, RKB, RT, GR, etc.)
6199' GR

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JO ☐

OTHER: Status report ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work). SEE RULE 1103

This well was completed in May, 1998 as required by NMOCD. The pipeline right-of-way to connect to a sales line was finally approved by the Navajo Nation (surface owner) in October, 1999. SG connected this well to an El Paso sales line in July, 2000. Gas is being produced but not in sufficient quantities to exceed El Paso's high line pressure. Enough gas is being made to run the pumping unit but not enough to run the compressor in order to buck the line pressure. Valves are open, and approximately 130 BWPD is being produced. It is SG's intent to continue producing water until the well can build up enough gas pressure to produce into the sales line. A pump change is scheduled for next month.

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

SIGNATURE Marcia Stewart

TITLE Agent for SG Interests

DATE 10/12/01

TYPE OR PRINT NAME Marcia Stewart

TELEPHONE NO (970) 259-2701

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY