

UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT *30-045-28728*

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.

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

1545' FSL, 890' FWL

At proposed prod. zone

same

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

approximately 6 miles southeast of Blanco

15. DISTANCE FROM PROPOSED*

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

890'

16. NO. OF ACRES IN LEASE

776.990

17. NO. OF ACRES ASSIGNED
TO THIS WELL

302.1/255.24

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

580'

19. PROPOSED DEPTH

2520'

20. ROTARY OR CABLE TOOLS

Rotary

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

5915' GL, 5928' KB

*This action is subject to technical and
procedural review pursuant to 43 CFR 3165.9
and appeal pursuant to 43 CFR 3165.4.*

22. APPROX. DATE WORK WILL START*

July 29, 1992

23.

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	"GENERAL REQUIREMENTS"
12-1/4"	8-5/8"	24#, J-55	250'	236 ft ³ of Class B, 3/2% CaCl ₂
7-7/8"	5-1/2"	15.5#, J-55	2520'	474 ft ³ 65/35 Pozmix w/6% gel
				118 ft ³ of Class B, neat tail

SG Interests I, Ltd., proposes to drill a vertical well to develop the Fruitland Coal formation at the above described site in accordance with the attached drilling and surface use programs.

This APD is also serving as as application to obtain BLM road Right-of-Way. The right-of-way will be on an existing road extending from the Largo Canyon main road to the location. The requested right-of-way is approximately 2 miles long and 30 feet in width. The proposed ROW crosses the NWNE and NENE of Section 27, the N/2 N/2 and SENE of Section 26, the SWNW and the NWSW of Section 25, all in Township 29 North, Range 9 West, San Juan County, New Mexico.

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.

SIGNED

A. M. O'Hare
A. M. O'Hare

TITLE

Agent for SG Interests I, Ltd.

DATE

7/7/92

(This space for Federal or State office use)

PRINT

APPROVAL DATE

**APPROVED
AS AMENDED**

APPROVED BY

TITLE

DATE

JUL 23 1992

COMMENTS OR PROPOSAL

RECEIVED
JUL 28 1992
OIL CON. DIV.
DIST. 3

NMOCD

*See Instructions On Reverse Side

John Skelton
AREA MANAGER

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-102
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

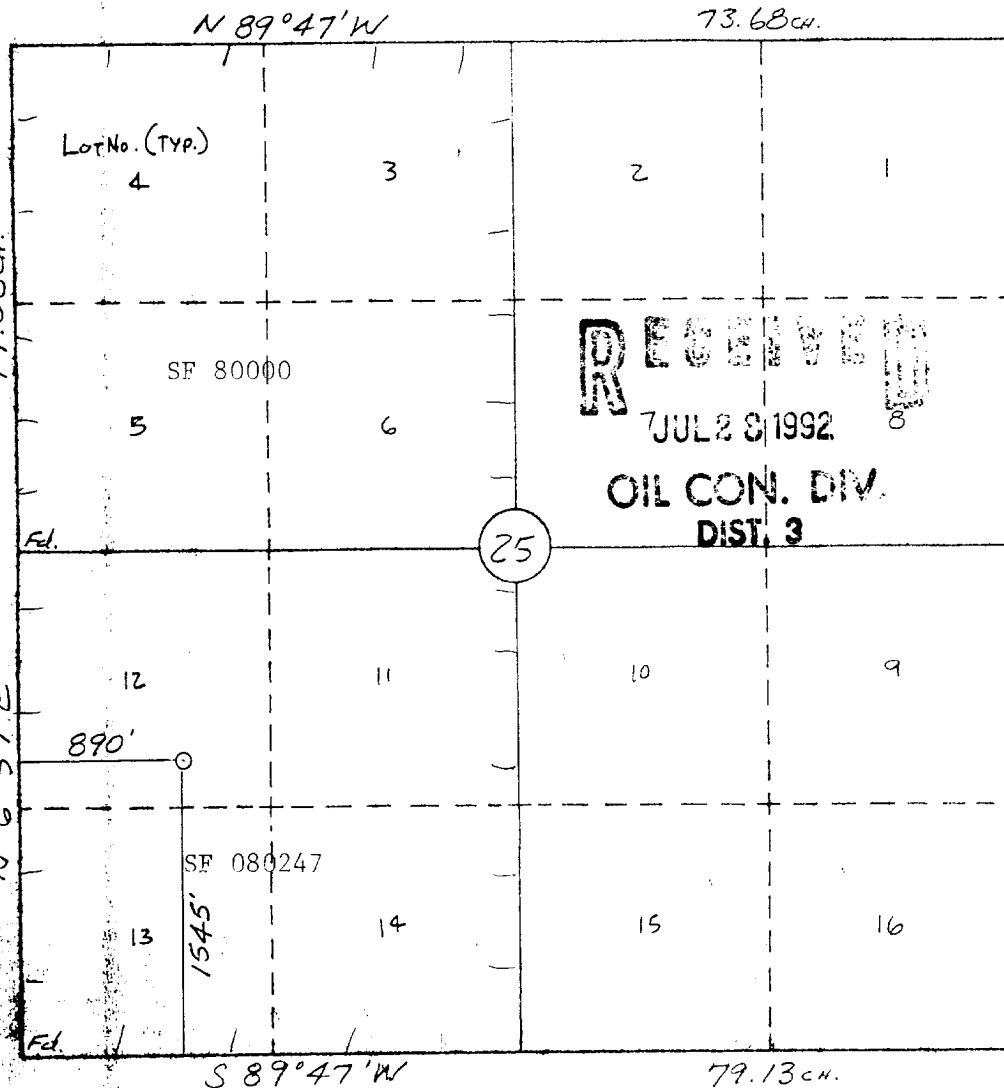
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator S G INTERESTS I, LTD.			Lease FEDERAL 29-9-25		Well No. 2
Unit Letter L	Section 25	Township 29 N	Range 9 W	County San Juan	
Actual Footage Location of Well: 1545 feet from the South line and 890 feet from the West line					
Ground level Elev. 5915	Producing Formation Fruitland Coal		Pool Basin Fruitland	Dedicated Acreage 302.1 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.? <input type="checkbox"/> Yes <input type="checkbox"/> 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.</p>					

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 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/Agent

Company Maralex Resources, Inc.
Agent for SG Interests I, Ltd

Date

7/7/92

SURVEYOR CERTIFICATION

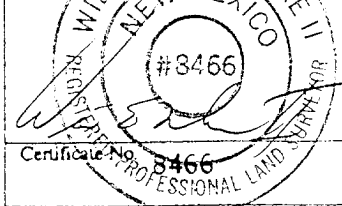
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief

6-27-92

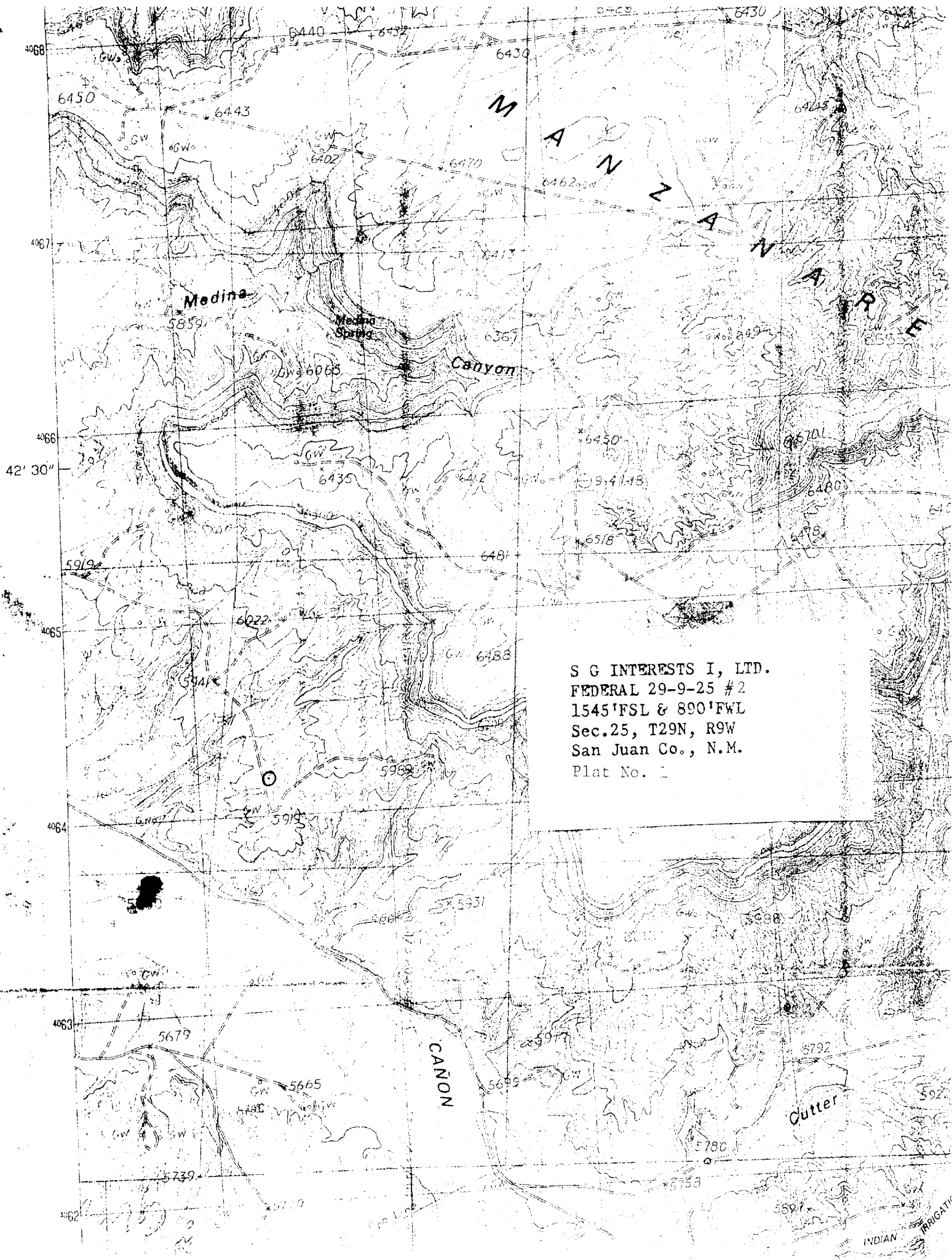
Date Surveyed

William E. Mahnke II

Signature & Seal of
Professional Surveyor



Certificate No. 3466



S G INTERESTS I, LTD.
FEDERAL 29-9-25 #2
1545'FSL & 890'FWL
Sec.25, T29N, R9W
San Juan Co., N.M.
Plat No. 1