

SG Interests I, Ltd.

State 20-6-16 #1

UL A, NENE, Sec. 16, T20N-R6W

Lat 35.97208° N, Long -107.47299° W

San Juan County, NM

API # 30-031-21080

P&A Pictures















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UL A, NENE, Sec. 16, T20N-R6W

Lat 35.97208° N, Long -107.47299° W

San Juan County, NM

API # 30-031-21080

P&A Pictures













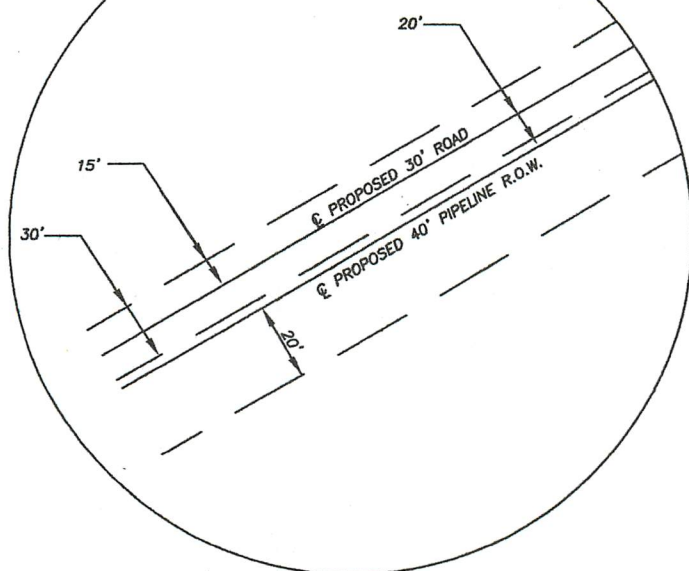


SG INTERESTS I, LTD.

STATE 20-6-16 #1
660' FNL & 1100' FEL
SEC.16, T20N, R6W, NMPM
MCKINLEY CO., NM

DETAIL

SCALE 1"=100'

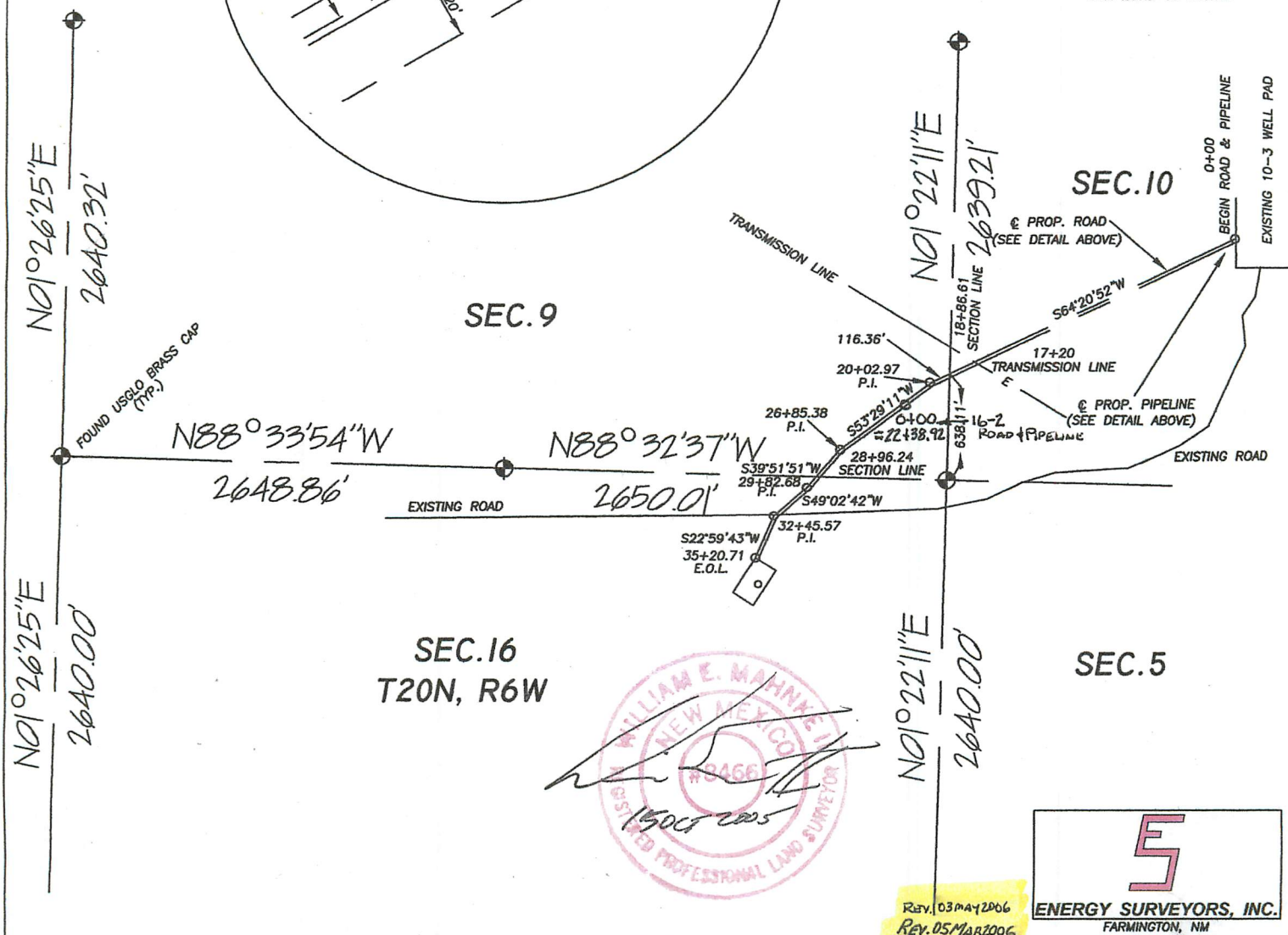
**FOOTAGES**

FEDERAL LAND SECTION 10 :
 1886.61'
 FEDERAL LAND SECTION 9 :
 1009.63'
 STATE LAND SECTION 16 :
 624.47'



SCALE: 1"=1000'

BASIS OF BEARINGS
 PLANE COORDINATES, WGS 84,
 UTM ZONE 13 NORTH.



REV. 03 MAY 2006
 REV. 05 MAR 2006





JAKD Solutions

N.O.R.M. Survey Form

Facility Name State 20-6-16 #1 API # 30-051-21080 State NM
 Unit A Section 6 Township 20N Range 6W County McKinley Latitude 36.910225 Longitude -107.472976
 Instrument Model Ludlum 3 Serial Number 83222 Calibration Date 11/3/2021
 Detector Type 44-2 Serial Number PR-354334 Units CPM Efficiency 175/MR

N.O.R.M. SURVEY INFORMATION

BACKGROUND (BK)

Sample #	Reading	Sample #	Reading	Sample #	Reading	Sample #	Reading	Sample #	Reading
BK 1	2500	BK 3	2700	BK 5	2700	BK 7	2600	BK 9	2300
BK 2	2600	BK 4	2600	BK 6	2400	BK 8	2400	BK 10	2300

SOIL SAMPLES (S)

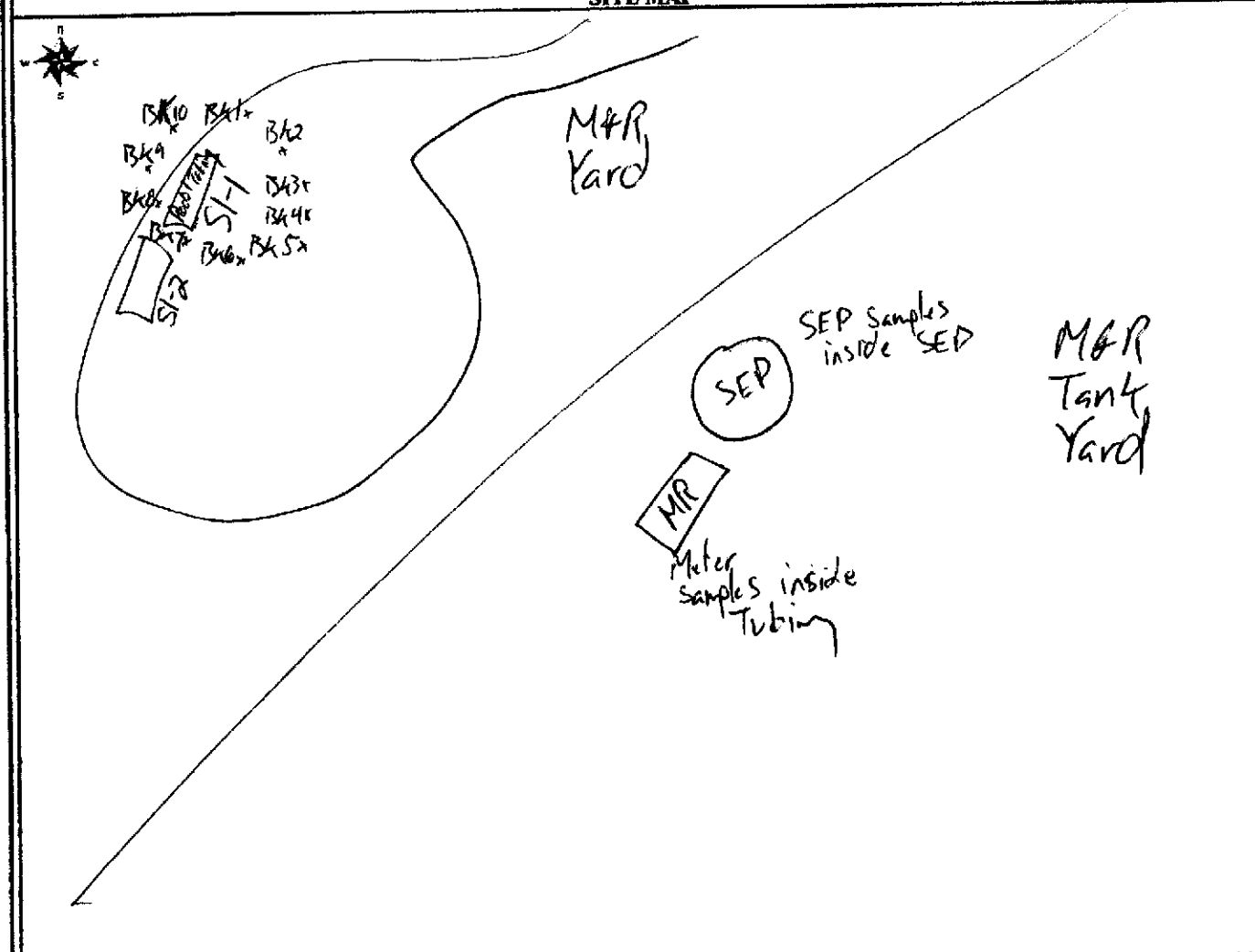
Sample #	Description	Reading	Sample #	Description	Reading	Sample #	Description	Reading

Any soil samples above twice background (YES / NO)

Sample Collected for Radium 226? (YES / NO)

Sample Name

SITE MAP



GAS EQUIPMENT (GE)

Sample #	Description	Reading	Sample #	Description	Reading	Sample #	Description	Reading
WPE	Unmanned Wing							

Removable Scale Found

(YES / NO)

Sample Collected for Pb 211

(YES / NO)

Sample Name



JAKD Solutions

N.O.R.M. Survey Form

Facility Name State 20-6-16 #1 API # 30-031-21080 State NM
 Unit A Section 16 Township 20N Range 6W County McKinley Co Latitude 35.97208 Longitude -107.47299
 Instrument Model LUDUM 3 Serial Number 81232 Calibration Date 11/3/22
 Detector Type 44-2 Serial Number PR-354334 Units CPM Efficiency 175/kA

N.O.R.M. SURVEY INFORMATION

BACKGROUND (BK)

Sample #	Reading	Sample #	Reading	Sample #	Reading	Sample #	Reading	Sample #	Reading
BK 1	2400	BK 3	2500	BK 5	2500	BK 7	2400	BK 9	2400
BK 2	2600	BK 4	2400	BK 6	2600	BK 8	2600	BK 10	2600

SOIL SAMPLES (S)

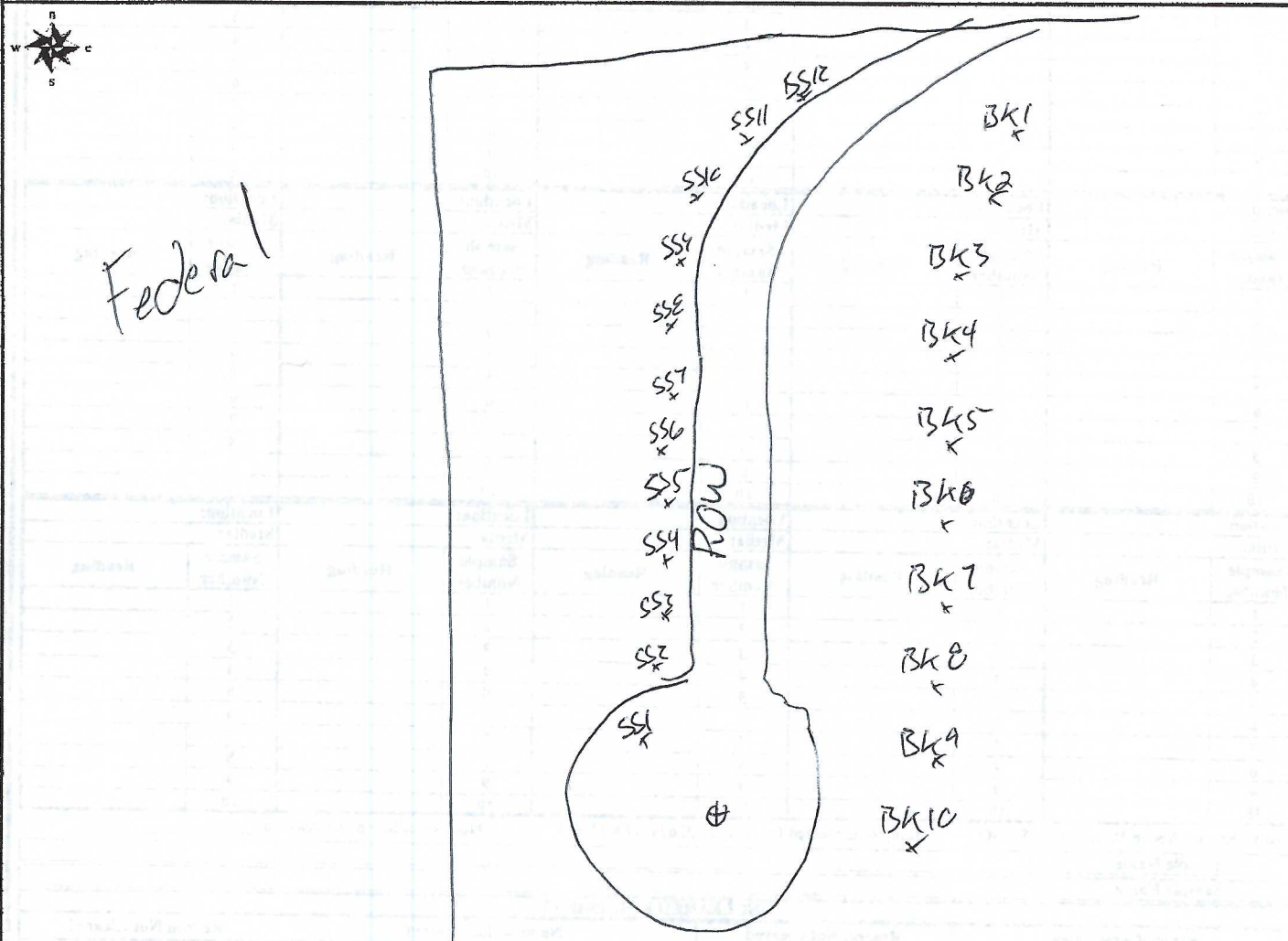
Sample #	Description	Reading	Sample #	Description	Reading	Sample #	Description	Reading
SS1	ROW	2500	SS5	ROW	2400	SS9	ROW	2400
SS2	ROW	2500	SS6	ROW	2300	SS10	ROW	2300
SS3	ROW	2400	SS7	ROW	2400	SS11	ROW	2400
SS4	ROW	2400	SS8	ROW	2300	SS12	ROW	2500

Any soil samples above twice background (YES / NO) (YES)

Sample Collected for Radium 226? (YES / NO) (NO)

Sample Name

SITE MAP



GAS EQUIPMENT (GE)

Sample #	Description	Reading	Sample #	Description	Reading	Sample #	Description	Reading
WPE	Unused Wipe							

Removable Scale Found

(YES / NO)

Sample Collected for Pb 211

(YES / NO)

Sample Name



JAKD Solutions

N.O.R.M. Survey Form

Location:		Location:		Location:		Location:		Location:	
Media:		Media:		Media:		Media:		Media:	
Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading
1		1		1		1		1	
2		2		2		2		2	
3		3		3		3		3	
4		4		4		4		4	
5		5		5		5		5	
6		6		6		6		6	
7		7		7		7		7	
8		8		8		8		8	
9		9		9		9		9	
10		10		10		10		10	

Location:		Location:		Location:		Location:		Location:	
Media:		Media:		Media:		Media:		Media:	
Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading
1		1		1		1		1	
2		2		2		2		2	
3		3		3		3		3	
4		4		4		4		4	
5		5		5		5		5	
6		6		6		6		6	
7		7		7		7		7	
8		8		8		8		8	
9		9		9		9		9	
10		10		10		10		10	

Location:		Location:		Location:		Location:		Location:	
Media:		Media:		Media:		Media:		Media:	
Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading
1		1		1		1		1	
2		2		2		2		2	
3		3		3		3		3	
4		4		4		4		4	
5		5		5		5		5	
6		6		6		6		6	
7		7		7		7		7	
8		8		8		8		8	
9		9		9		9		9	
10		10		10		10		10	

Location:		Location:		Location:		Location:		Location:	
Media:		Media:		Media:		Media:		Media:	
Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading	Sample Number	Reading
1		1		1		1		1	
2		2		2		2		2	
3		3		3		3		3	
4		4		4		4		4	
5		5		5		5		5	
6		6		6		6		6	
7		7		7		7		7	
8		8		8		8		8	
9		9		9		9		9	
10		10		10		10		10	

Any Samples Above 50 ur/hr (YES / NO) Samples Collected for Radium 226? (YES / NO) Number of Samples Collected

Sample Name		Sample Name	
Sample Name		Sample Name	

UNCLEARED EQUIPMENT			
Name of Equipment	Reason Not Cleared	Name of Equipment	Reason Not Cleared

Technician Name (Print) <u>James McDaniel</u>	Date <u>6/17/2022</u>
Technician Name (Signature) <u>[Signature]</u>	Company <u>JAKD</u>

SG Interests I, Ltd.**State 20-6-16 #1****P&A Pipeline Retirement****Pipeline Retirement Requirements:****Material:**

The pipelines for the subject well are 3" SDR 7 Poly Pipe. There are two lines on the well pad and leaving location. One line was used to transport natural gas and the second line transported produced Fruitland Coal water.

Pipeline Flushing Procedure:

A vacuum truck was connected to a line at the lowest end and a strong suction was used to remove any and all produced water. After lines were dry, the risers were cut off, the PL ends sealed and the ends were re-buried to original depth, between 4 and 6 feet below surface.

Benefit of Retirement in Place:

Leaving the clean, empty lines in place negates further disturbance of the top soil and deeper soils. The poly lines are benign and have no negative effect on the soil, or groundwater. Re opening the PL ditches to remove the pipe would soften the soil and allow any natural rainwater to pass the seeded area and hinder reclamation. These lines have been in place for 17 years and the soil has hardened and finished settling. Opening the ditches to remove the lines would re-start the soil healing process. During the P&A re-seeding of the PL ROW we take care to not disturb any existing re-vegetation from the original re-seeding. There is far less destruction to the soils to retire the lines in place.

Name: William Schwab III**Position / Title:** Agent for SG Interests, Ltd.**Address:** PO Box 2677, Durango, Colorado 81302**Telephone:** 970-259-2701 or 970-769-3589**E-mail:** tripp@nikaenergy.com**Signature:** Wm. Schwab III **Date:** _____

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U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Santa Fe, NM 87504

OFFICIAL USE

Certified Mail Fee	\$3.75	0535
Extra Services & Fees (check box, add fees as appropriate)	\$13.05	02
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
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City, State, ZIP+4®		

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>State of NM Public Lands Attn: Stephanie Garcia Richard PO Box 1148 Santa Fe, NM 87504-1148</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. Barcode</p> <p>9590 9402 7352 2028 3966 81</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail (over \$500)</p>

7022 0410 0001 8377 7694

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

Nika Energy Operating

State of NM Commissioner of Public lands
Attn: Ms. Stephanie Garcia Richard
PO Box 1148
Santa Fe, NM 87504-1148

June 24, 2022

RE: Pipeline Retirement in Place
State 20-6-16 #1
NENE, Sec. 16, T20N-R6W
Lat 35.97208° N, Long -107.47299° W
San Juan County, NM
API # 30-031-21080

Ms. Richard,

SG Interests I, Ltd. is the operator of the above referenced well. The subject well has been plugged, and the location, road, and pipeline ROW reclaimed per NMOCD rules. SG Interests intends to retire the line in place, and have met all the OCD Reclamation and NORM testing rules.

This letter is official notification of our intent, for compliance with C-103Q.

Please contact me with any questions or concerns.

Respectfully,



William Schwab III
Nika Energy Operating/Agent for SG Interests
970-259-2701

Cc: SGI
Files

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

DEFINITIONS

Action 120300

DEFINITIONS

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 120300
	Action Type: [C-103] Sub. Release After P&A (C-103Q)

DEFINITIONS

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application:

- lease and well location, hereinafter "location";
- flowlines or pipelines, hereinafter "pipelines";
- and non-retrieved or abandoned, hereinafter "abandoned".

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QUESTIONS

Action 120300

QUESTIONS

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 120300
	Action Type: [C-103] Sub. Release After P&A (C-103Q)

QUESTIONS

Subsequent Report of: Location Ready For OCD Inspection After P&A	
Was this the last remaining or only well on the location	Yes
Are there any abandoned pipelines that are going to remain on the location	Yes
Is there any production equipment or structure (not including steel marker, poured onsite concrete bases, or pipelines) that is going to remain on the location	No
If any production equipment or structure is to remain on the location, please specify	n/a

Site Evaluation

Please answer all the questions in this group.

Have all the required pits been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan	Yes
Have the rat hole and cellar been filled and leveled	Yes
Have the cathodic protection holes been properly abandoned	Yes
Has a steel marker, at least 4 inches in diameter and at least 4 feet above ground level, been set in concrete	Yes
The (concrete-set) steel marker shows: <i>Must attach marker photograph(s). *</i>	<u>THE OPERATOR NAME, LEASE NAME AND WELL NUMBER AND LOCATION, INCLUDING UNIT LETTER, SECTION, TOWNSHIP AND RANGE, SHALL BE WELDED, STAMPED OR OTHERWISE PERMANENTLY ENGRAVED INTO THE MARKER'S METAL.</u>
Has the location been leveled as nearly as possible to original ground contour	Yes
Have all the required pipelines and other production equipment been cleared	Yes
Has all the required junk and trash been cleared from the location	Yes
Have all the required anchors, dead men, tie downs and risers have been cut off at least two feet below ground level	Yes
Have all the required metal bolts and other materials have been removed	Yes

Poured onsite concrete bases do not have to be removed.

Have all the the required portable bases been removed	Yes
Have all other environmental concerns have been addressed as per OCD rules	Yes
If any environmental concerns remain on the location, please specify	n/a

** Proof of the site marker (photograph) is required.*

Please submit any other site photographs that would assist in documenting the above answers, site features, additional concerns, or other nearby / remaing structures and equipment.

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QUESTIONS, Page 2

Action 120300

QUESTIONS (continued)

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 120300
	Action Type: [C-103] Sub. Release After P&A (C-103Q)

QUESTIONS

Abandoned Pipelines	
<i>Only need to provide answers in this group, if any pipelines have been abandoned (in accordance with 19.15.35.10 NMAC).</i>	
Have all fluids have been removed from any abandoned pipelines	Yes
Have all abandoned pipelines been confirmed to NOT contain additional regulated NORM, other than that which accumulated under normal operation	Yes
Have all accessible points of abandoned pipelines been permanently capped	Yes

Last Remaining or Only Well on the Location	
<i>Please answer all questions that apply in this group, specifically if there is no longer going to be any well or facility remaining at this location.</i>	
Have all electrical service poles and lines been removed from the location	Yes
Is there any electrical utility distribution infrastructure that is remaining on the location	No
Have all the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan	Yes
Have all the retrievable pipelines, production equipment been removed from the location	Yes
Has all the junk and trash been removed from the location	Yes

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ACKNOWLEDGMENTS

Action 120300

ACKNOWLEDGMENTS

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 120300
	Action Type: [C-103] Sub. Release After P&A (C-103Q)

ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	I hereby certify that all the work has been completed for this location and the site is ready for an OCD scheduled inspection.
-------------------------------------	--

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COMMENTS

Action 120300

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Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 120300
	Action Type: [C-103] Sub. Release After P&A (C-103Q)

COMMENTS

Created By	Comment	Comment Date
ahvermersch	P&A ok to release. All production equipment has been removed. All pits have been filled, and a P&A marker with proper legals has been placed P&A Release inspected by John Durham. Added on 10/14/2022 by jdurham	1/9/2023

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CONDITIONS

Created By	Condition	Condition Date
ahvermersch	None	1/9/2023