

DATE IN 12/21/09	SUSPENSE	ENGINEER E. George	LOGGED IN 12/21/09	TYPE CTD	PTGW APP NO. 0935550541
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[Handwritten scribbles]

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

CTB-587-B

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

William Schwab III
 Print or Type Name

Signature

Agent for SG Interests
 Title

12/18/09
 Date

tripp@nikaenergy.com
 e-mail Address

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

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

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

5. Lease Serial No.

NM99718

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

FEDERAL 20-5-6#3

9. API Well No.

30-031-21102

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

McKinley, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd., c/o Nika Energy Operating, LLC

3a. Address

PO Box 2677, Durango, CO 81302

3b. Phone No. (include area code)

(970) 259-2701

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

Lot 6: (NWSW) Sec 6-T20N-R5W

1865' FSL, 890' FWL

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 Add well to

El Pintado CDP

Gathering System

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 recompleat 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 recompleat 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.)

SG Interests is requesting approval to add this well to their El Pintado CDP Gathering System (Order No. CTB-587, approved Febr 27, 2008 & Amended Order No. CTB-587 A, approved June 11, 2009) in the NW/4 of Sec 10-T20N-R6W, McKinley County, NM. This well will produce from the Basin Fruitland Coal Formation, as are all other wells going thru the CDP; there will be a gas allocation meter on this wellsite, and production charts will be integrated by R&L Chart Service; well will be maintained and production allocated per Order as all other wells going thru the CDP, Produced water will be trucked to our Federal 21-6-28 SWD #33 disposal well during the de-watering stage and until a pipeline can be built from the well to the disposal well. We are preparing an Application to NMOC for same. Please see attached map.

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

Name (Printed/Typed)

Marcia Stewart

Title

Agent for SG Interests I Ltd

Signature

Date

December 8, 2009

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.

(Instructions on reverse)

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

REVISED
SRUD
NOTICE

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.

5. Lease Serial No.

NM99731

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

FEDERAL 21-6-19 #3

9. API Well No.

30-043-21047

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

Sandoval County, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd., c/o Nika Energy Operating, LLC

3a. Address

PO Box 2677, Durango, CO 81302

3b. Phone No. (include area code)

(970) 259-2701

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

LOT 4: (SWSW) SEC 19-T21N-R6W

713' FSL, 743' FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" 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 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 checked="" type="checkbox"/> Other Add well to El Pintado CDP Gathering System
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<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 recompleat 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 recompleat 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.)

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

Name (Printed/Typed)

Marcia Stewart

Title

Agent for SG Interests I Ltd

Signature

Date

December 8, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

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

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

5. Lease Serial No.

NM99737

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

FEDERAL 21-7-19 #3

9. API Well No.

30-043-21049

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

Sandoval County, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd., c/o Nika Energy Operating, LLC

3a. Address

PO Box 2677, Durango, CO 81302

3b. Phone No. (include area code)

(970) 259-2701

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

Lot 4: (SWSW) Sec 19-T21N-R7W
759' FSL, 1202' FWL

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 Add Well to

El Pintado CDP

Gathering System

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

Name (Printed/Typed)

Marcia Stewart

Title

Agent for SG Interests I Ltd

Signature

Date

December 8, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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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.

(Instructions on reverse)



Nika Energy Operating

RECEIVED

2009 DEC 21 PM 1 47

December 18, 2009

State of New Mexico
Oil Conservation Division
1220 So. St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Mr. Richard Ezeanyim

RE: Amending Order No. CTB-587 & CTB-587-A
To include additional wells
McKinley and Sandoval Counties, NM

Dear Mr. Ezeanyim:

Attached is an Application to amend our Order No. CTB-587 and CTB-587-A, adding 3 wells to our El Pintado CDP Gas Gathering System (off-lease measurement). Also enclosed are copies of a Sundry Notice for each well, submitted to BLM, Farmington, New Mexico, an Administrative Application Checklist, a copy of the amended CTB-587-A, a map of the Gathering System and its associated wells, proof of notification to all Revenue Interest Owners, and copies of the Publications for the Albuquerque Journal and the Gallup Independent. Following is a list of the wells to be added:

Federal 21-5-6 #3 - W/2 of Sec 6 API No. 30-031-21102 Lease No. NMNM99718
Federal 21-6-19 #3 S/2 of Sec 19 API No. 30-043-21047 Lease No. NMNM99731
Federal 21-7-19 #3 W/2 of Sec 19 API No. 30-043-21049 Lease No. NMNM99737

When added to the El Pintado CDP Gas Gathering System, all of the above wells will be treated, measured, and maintained exactly as the other 26 wells approved in Order No. CTB-587 and CTB-587-A.

Notification to all revenue owners of all wells in the Gathering System was sent by Certified Mail December 16, 2009. Notices (copies attached) will also be published in the Albuquerque Journal (Sandoval County) and in the Gallup Independent (McKinley County) newspapers as soon as possible.

Please let me know what additional information you might need. Thanks for your help.

Sincerely,

NIKA ENERGY OPERATING, LLC
AGENT FOR SG INTERESTS

A handwritten signature in cursive script that reads "Marcia Stewart". The signature is written in black ink and is positioned above the printed name and title.

Marcia Stewart
Engineering Assistant

cc: NMOCD – Aztec, NM

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: SG INTERESTS I, LTD (c/o Nika Energy Operating, LLC)

OPERATOR ADDRESS: PO Box 2677, DURANGO, CO 81302

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. CTB 587-A
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code. FRITLAND COAL FORMATION 71629

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)


Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE:  TITLE: AGENT FOR SG INTERESTS DATE: 12/11/09

TYPE OR PRINT NAME WILLIAM SCHWAY III (TRIPP) TELEPHONE NO.: 970-259-2701

E-MAIL ADDRESS: tripp@nikaenergy.com

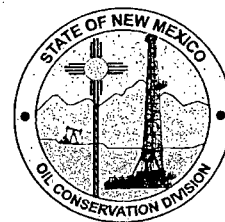


New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Surface Commingling Order CTB-587-A

June 11, 2009

SG Interests I Ltd.
C/o NIKA Energy Operating, LLC
PO Box 2677
Durango, CO 81303

Attention: Marcia Stewart:

By Surface Commingling Order No. CTB-587, the Division authorized SG Interests I Ltd. (OGRID 20572) to surface commingle gas production from the Basin-Fruitland Coal Gas Pool (71629) within the following-described area (hereinafter referred to as the El Pintado CDP Gas Gathering System Area), Sandoval and McKinley Counties, New Mexico:

El Pintado CDP Gas Gathering System Area

Township 21 North, Range 6 West, NMPM

Section 29: S/2

Section 30: All

Section 31: N/2

Section 32: W/2

Section 34: All

Section 36: W/2

Township 20 North, Range 6 West, NMPM

Section 2: S/2

Section 3: S/2

Section 10: N/2

Section 16: All



This area contains all or portions of Federal Leases No. NM-99732, NM-99733, and NM-24964, State Leases No. VA2322, VA2344, and VA2284. This area currently contains eighteen (18) wells that are completed in the Basin-Fruitland Coal Gas Pool. All wells within the area are currently operated by SG Interests I Ltd.

SG Interests I Ltd now seeks to add the following eight (8) wells producing from the Basin Fruitland Coal Gas Pool to the El Pintado CDP Gas Gathering System.

Well Name and Number	API Number	Location	Lease Number
Federal 21-6-28 Well No. 3	30-043-21010	Sec.28, T-21N, R-6W	NMNM113429
Federal 21-6-29 Well No. 1	30-043-21056	Sec. 29, T-21N, R-6W	NMNM99732
Federal 21-6-29 Well No. 2	30-043-21057	Sec. 29, T-21N, R-6W	NMNM99732
Federal 21-6-30 Well No. 1	30-043-21058	Sec. 30, T-21N, R-6W	NMNM99732
Federal 21-6-30 Well No. 2	30-043-21059	Sec. 30, T-21N, R-6W	NMNM99732
Federal 21-7-25 Well No. 3	30-043-21017	Sec. 25, T-21N, R-7W	NMNM99739
Federal 21-7-26 Well No. 1	30-043-21062	Sec. 26, T-21N, R-7W	NMNM99739
Federal 21-7-35 Well No. 1	30-043-21060	Sec. 35, T-21N, R-7W	NMNM99739

IT IS THEREFORE ORDERED THAT:

The Surface Commingling Order No. CTB-587 is hereby amended and the applicant, SG Interests I Ltd is hereby authorized to add the above referenced eight (8) wells to the El Pintado Gas Gathering System.

Production shall be allocated by metering the gas production from each of the wells within the El Pintado CDP Gas Gathering System utilizing individual allocation meters. Gas production shall then be commingled and transported to a Public Service of New Mexico (PNM) gas sales meter located within the NW/4 of Section 10, Township 20 North, Range 6 West. Production shall be allocated back to each well utilizing allocation and sales meter volume data, and shall be determined in accordance with the procedure outlined in the application.

All liquids (oil, condensate and water) shall be separated, stored, measured and sold at each individual well.

All meter calibration shall be in conformance with Division Rule No. 19.15.12.10. NMAC

June 12, 2009

Page 3

Additional existing or future drilled wells can be added to the commingling authority granted by this order without additional application or notice to interest owners provided that:

- a) the well(s) are located within the El Pintado CDP Gas Gathering System Area defined by this order;
- b) each new well is equipped with a gas allocation meter; and
- c) the well(s) produce from Basin-Fruitland Coal Gas Pool.

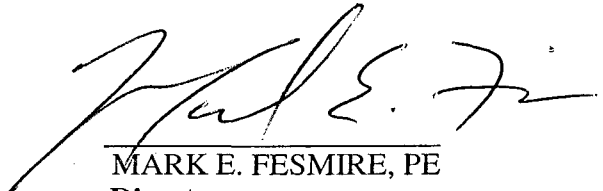
To obtain approval to add wells, SG Interests I Ltd. shall file Form C-103 (Sundry Notice) with the Santa Fe and Aztec Offices of the Division that describe the well(s) to be included. Additional notice may be required to the Bureau of Land Management and/or the State Land Office.

To add additional wells located **OUTSIDE** of the El Pintado CDP Gas Gathering System to the gathering system, SG Interests I Ltd. must apply for an additional order or to amend this order and (per Rule 19.15.12 NMAC) must notify all owners of revenue interests within the existing El Pintado CDP Gas Gathering System as well as all owners of revenue interests in the new wells to be added.

This Order supersedes the Surface Commingling Order No. CTB-587, issued on February 27, 2008.

NOTE: This installation shall be installed and operated in accordance with the applicable rules and regulations of the Division applicable to surface commingling. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

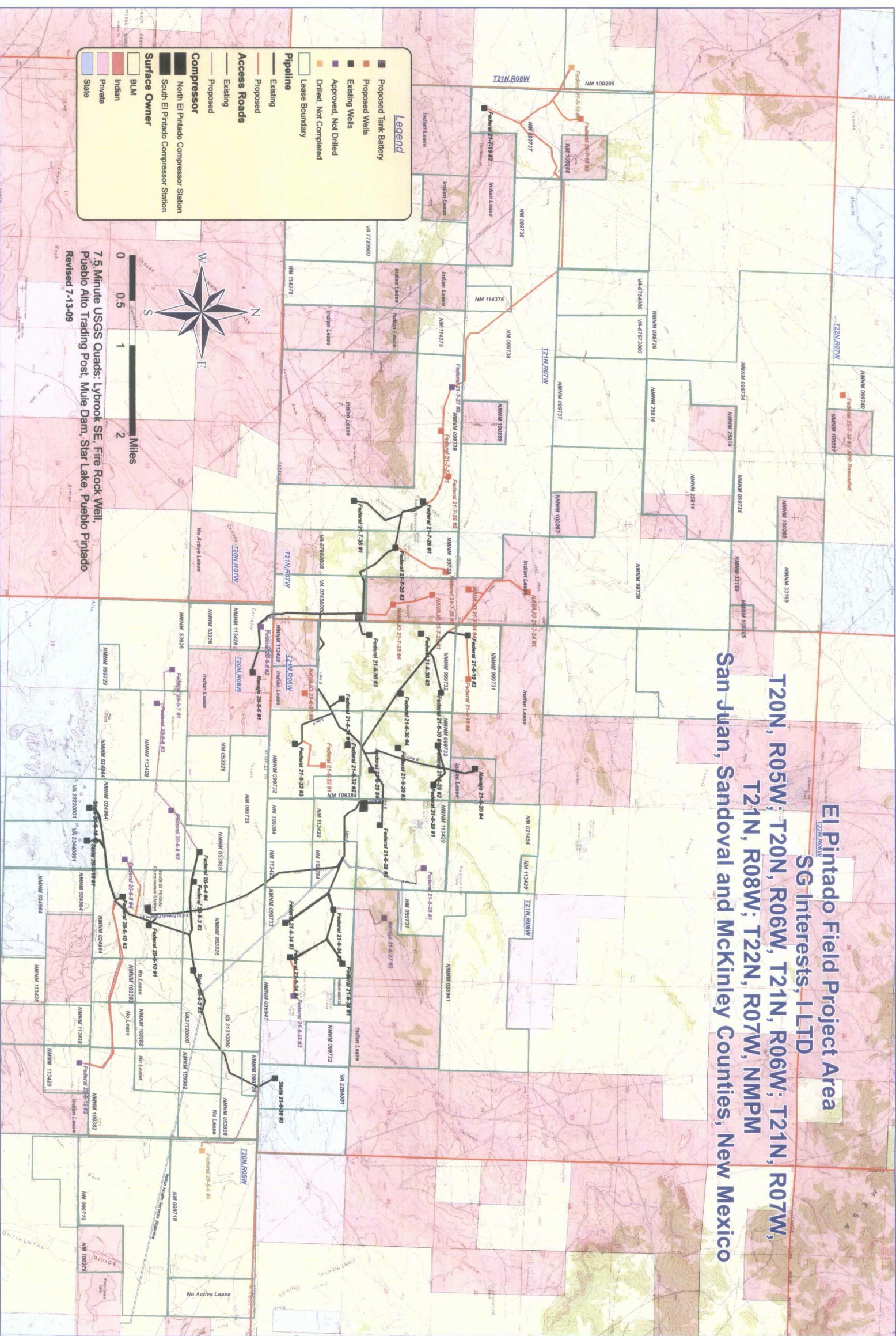


MARK E. FESMIRE, PE
Director

MEF/re

cc: Oil Conservation Division – Aztec
Bureau of Land Management – Farmington
State Land Office – Oil, Gas, and Minerals Division

El Pintado Field Project Area
SG Interests, 1LTD
T20N, R05W; T20N, R06W, T21N, R06W; T21N, R07W,
T21N, R08W; T22N, R07W, NMPM
San Juan, Sandoval and McKinley Counties, New Mexico



REVENUE INTEREST OWNERS

Richard Dolecek
330 Conifer Drive
Evergreen, CO 80439

Advanced Tech O&G, Inc.
11547 Riverview Way
Houston, TX 77077

Penwell Employee Royalty Pool
c/o Penwell Energy
200 N. Loraine St.
Midland, TX 79701

William R. Schoen
5110 San Felipe #84-W
Houston, NM 77056

Seel Development Co
PO Box 2043
Austin, TX 78768

Kerry Stein
416 Crestwood
Houston, TX 77007

Probe Resources, Inc.
700 Louisiana, Suite 4250
Houston, TX 77002

Rockhill Investments
2312 Rice Blvd
Houston, TX 77005

Comstock Oil & Gas, Inc.
5300 Town & Country Blvd
Suite 500
Frisco, TX 75034

Cathead Investments, LLC
1907 Yacht Haven Road 'B'
Friday Harbor, WA 98250

Albert Haertlein
432 Cowan
Houston, TX 77007

Daniel Clark
6010 Burning Tree Dr
Houston, TX 77036

Douglas J. Kirn
3640 W. Warren Ave
Denver, CO 80210

Tenkay Resources Inc.
24 Water Way, Suite 700
The Woodlands, TX 77380

Bestwest Investments Ltd
5900 Highway 290 East
Brenham, TX 77833

United States of America
Minerals Management Service
PO Box 5810
Denver, CO 80217

Pintado Oil & Gas
100 Waugh Drive, Suite 400
Houston, TX 77007

Snyergy Operating, LLC
PO Box 5513
Farmington, NM 87499

Mr. John T. Cook
1610 Woodstead Court, Suite 180
The Woodlands, TX 77380

Thomas J. Gill
32043 Ponderosa Way
Evergreen, CO 80439

AROX (TEXAS) Inc.
110 Cypress Station
Suite 220
Houston, TX 77090

Merrion Oil & Gas Corp
610 Reilly Avenue
Farmington, Nm 87401-2634

Douglas A. Denton
1501 Princeton Street
Midland, Tx 79701

Ward K. & Jane C. Haas
PO Box 2255
Huntington, CT

Steven W. Weller
415 Bayou Cove Court
Houston, TX 77042

Scott C. Denison
415 Barkers Landing RD #14
Houston, TX 77079

State of New Mexico
Commissioner of Public Lands
PO Box 2308
Santa Fe, NM 87499

7008 1300 0002 1275 7364

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	14.25

Postmark Here

Sent To: State of New Mexico
 Commissioner of Public Lands
 PO Box 2308
 Santa Fe, NM 87499 87525

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7391

U.S. Postal Service™
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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total	\$	14.25

Postmark Here

Sent To: Mr. Thomas Bill
 32043 Ponderosa Way
 Evergreen, CO 80439

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7377

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	8.75
Certified Fee		4.25
Return Receipt Fee (Endorsement Required)		2.00
Restricted Delivery Fee (Endorsement Required)		10.00
Total Postage & Fees	\$	25.00

Postmark Here

Sent To: Mr. Scott C. Denison
 415 Barkers Landing RD #14
 Houston, TX 77079

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7353

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	8.75
Certified Fee		4.25
Return Receipt Fee (Endorsement Required)		2.00
Restricted Delivery Fee (Endorsement Required)		10.00
Total	\$	25.00

Postmark Here

Sent To: AROC (TEXAS) Inc.
 110 Cypress Station, Suite 220
 Houston, TX 77090

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7360

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

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

OFFICIAL USE

Postage	\$	8.75
Certified Fee		4.25
Return Receipt Fee (Endorsement Required)		2.00
Restricted Delivery Fee (Endorsement Required)		10.00
Total	\$	25.00

Postmark Here

Sent To: Mr. Steven W. Weller
 415 Bayou Cove Court
 Houston, TX 77042

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7346

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

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

OFFICIAL USE

Postage	\$	8.75
Certified Fee		4.25
Return Receipt Fee (Endorsement Required)		2.00
Restricted Delivery Fee (Endorsement Required)		10.00
Total	\$	25.00

Postmark Here

Sent To: Ward K. & Jane C. Haas
 PO Box 2255
 Huntington, CT

PS Form 3800, August 2009 See Reverse for Instructions

7008 1300 0002 1275 7711

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Mr. Douglas A. Denton 1501 Princeton Street Midland, TX 79701	

Postmark Here

PS Form 3800, August 2009 Instructions

7008 1300 0002 1275 7704

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Mr. John T. Cook 1610 Woodstead Court, Suite 180 The Woodland, TX 77380	

Postmark Here

PS Form 3800, August 2009 Instructions

7008 1300 0002 1275 7698

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Mr. Daniel Clark 6010 Burning Tree Dr. Houston, TX 77036	

Postmark Here

PS Form 3800, August 2009 Instructions

7008 1300 0002 1275 7681

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Mr. Albert Haertlein 432 Cowan Houston, TX 77007	

Postmark Here

PS Form 3800, August 2009 Instructions

7008 1300 0002 1275 7674

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Cathead Investments, LLC 1907 Yacht Haven Road 'B' Friday Harbor, WA 98250	

Postmark Here

PS Form 3800, August 2009 Instructions

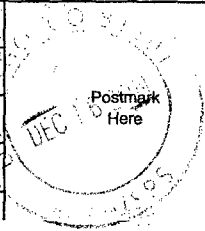
7008 1300 0002 1275 7667

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Comstock Oil & Gas Inc. 5300 Town & Country Blvd Suite 500 Frisco, TX 75034	

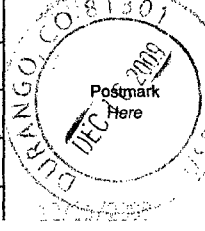
Postmark Here

PS Form 3800, August 2009 Instructions

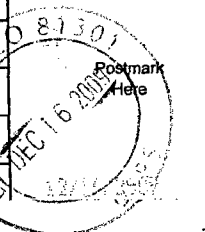
7006 1300 0002 1275 7650

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Mr. Richard Dolecek 330 Conifer Drive Evergreen, CO 80439	
PS Form	Instructions

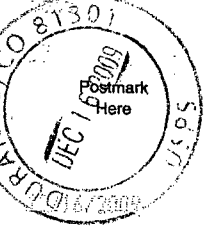
7006 1300 0002 1275 7643

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Advanced tech O&G Inc. 11547 Riverview Way Houston, TX 77077	
PS Form	Instructions

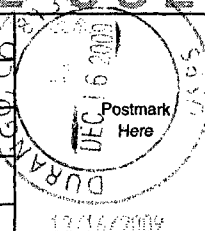
7006 1300 0002 1275 7636

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Penwell Employee Royalty Pool c/o Penwell Energy 200 N. Loraine St. Midland, TX 79701	
PS Form	Instructions

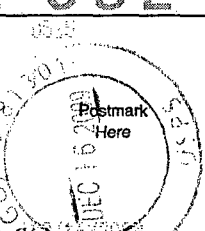
7006 1300 0002 1275 7629

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Mr. William R. Schoen 5110 San Felipe #84-W Houston, TX 77056	
PS Form	Instructions

7006 1300 0002 1275 7612

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Seel Development Co PO Box 2043 Austin, TX 78768	
PS Form	Instructions

7006 1300 0002 1275 7605

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<div style="text-align: center;">  </div>	
Sent To Mr. Kerry Stein 416 Crestwood Houston, TX 77007	
PS Form	Instructions

7008 1300 0002 1275 7599

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Probe Resources, Inc. 700 Louisiana, Suite 4250 Houston, TX 77002	

7008 1300 0002 1275 7582

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To Rockhill Investments 2312 Rice Blvd Houston, TX 77005	

7008 1300 0002 1275 7575

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 40.51
Certified Fee	\$ 2.85
Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 45.66
Sent To Douglas J. Kim 3640 W. Warren Ave. Denver, CO 80210	

7008 1300 0002 1275 7568

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 31.05
Certified Fee	\$ 2.85
Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 36.20
Sent To Tenkay Resources Inc. 24 Water Way, Suite 700 The Woodlands, TX 77380	

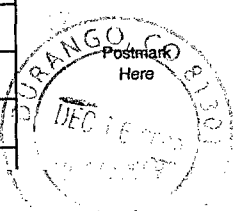
7008 1300 0002 1275 7551

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 37.24
Certified Fee	\$ 2.85
Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 42.39
Sent To Bestwest Investments Ltd 5900 Highway 290 East Brenham, TX 77833	

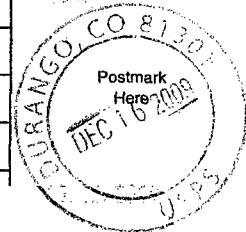
7008 1300 0002 1275 7544

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 31.05
Certified Fee	\$ 2.85
Return Receipt Fee (Endorsement Required)	\$ 2.30
Restricted Delivery Fee (Endorsement Required)	\$ 0.00
Total Postage & Fees	\$ 36.20
Sent To United States of America Minerals Management Service PO Box 5810 Denver, CO 80217	

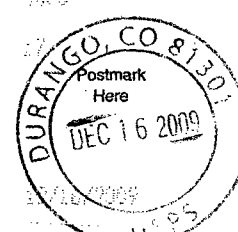
7008 1300 0002 1275 7537

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	\$2.00
Return Receipt Fee (Endorsement Required)	\$2.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total	
	
Pintado Oil & Gas 100 Waugh Drive, Suite 400 Houston, TX 77007	
PS Form 3800, August 2006 See Reverse for Instructions	


7008 1300 0002 1275 7513

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	\$2.00
Return Receipt Fee (Endorsement Required)	\$2.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total	
	
Sent To: Synergy Operating, LLC Street or PO: PO Box 5513 City: Farmington, NM 87499	
PS Form 3800, August 2006 See Reverse for Instructions	

7008 1300 0002 1275 7726

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$11.05
Certified Fee	\$2.00
Return Receipt Fee (Endorsement Required)	\$2.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$15.05
	
Sent To: Merrion Oil & Gas Corp Street or PO: 610 Reilly Avenue City, S: Farmington, NM 87401-2634	
PS Form 3800, August 2006 See Reverse for Instructions	

7008 1300 0002 1275 7407

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$5.50
Certified Fee	\$2.00
Return Receipt Fee (Endorsement Required)	\$2.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total P	\$9.50
	
Sent To: Attn: Mr. Jim Lozano Street or PO: BLM 1235 La Plata Highway City, S: Farmington, NM 87401	
PS Form 3800, August 2006 See Reverse for Instructions	

FOR PUBLICATION IN THE ALBUQUERQUE JOURNAL
ALBUQUERQUE, NEW MEXICO

On behalf of SG Interests I, Ltd, (100 Waugh Dr., Suite 400, Houston, TX 77007), Nika Energy Operating, LLC (PO Box 2677, Durango, CO 81302) is proposing to add 3 new Fruitland Coal wells to Off-Lease Gas Measurement & Commingling of Sales through SG Interests I, Ltd El Pintado CDP Gas Gathering System (Central Delivery Point – Sec 10-T20N-R6W, Sandoval County, NM).

SG Interests I, Ltd received approval from BLM and the State of New Mexico OCD IN 2008 for Off-Lease Measurement through the El Pintado CDP Gas Gathering System for gas wells drilled in Townships 20N and 21N, Range 6W, McKinley and Sandoval Counties, NM (Order CTB-587) and in 2009 for gas wells drilled in Townships 21N, Ranges 6W and 7W, Sandoval County, NM (Order CTB-587 A). The current request for approval includes Fruitland Coal wells drilled in Township 20N, Range 5W, McKinley County, NM and in Township 21N, Ranges 6W and 7W in Sandoval County, NM, located in the following leases:

Federal NM99718

Federal NM99731

Federal NM99737

The New Mexico Conservation Division requires that all Revenue Interest Owners be notified, and Interest Owners have 20 days to notify the New Mexico Conservation Division, 1220 S. St. Francis Drive, Santa Fe, NM 87505 **in writing** if they have any objection to this proposed project. Refer to Order CTB-587.

The Division may approve SG's application administratively, without hearing, if no Interest Owner has filed an objection within the 20-day period. If any objections are received, the application shall be set by the State Office for a hearing.

FOR PUBLICATION IN THE GALLUP INDEPENDENT
GALLUP, NEW MEXICO

On behalf of SG Interests I, Ltd, (100 Waugh Dr., Suite 400, Houston, TX 77007), Nika Energy Operating, LLC (PO Box 2677, Durango, CO 81302) is proposing to add 3 new Fruitland Coal wells to Off-Lease Gas Measurement & Commingling of Sales through SG Interests I, Ltd El Pintado CDP Gas Gathering System (Central Delivery Point – Sec 10-T20N-R6W, Sandoval County, NM).

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Federal NM99718

Federal NM99731

Federal NM99737

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