

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101

Revised February 10, 1994

Instructions on back  
Submit to Appropriate District Office

State Lease - 6 Copies

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OIL CONSERVATION DIVISION

PO BOX 2088  
Santa Fe, NM 87504-2088

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address SG Interests I, Ltd. c/o Sagle & Schwab, PO Box 2677 Durango, CO 81302		<sup>2</sup> OGRID Number 020572 045-31698
<sup>4</sup> Property Code 009766	<sup>5</sup> Property Name Santa Rosa 32	<sup>6</sup> Well No. 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
O	32	30N	9W		840	South	1855	East	San Juan

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
<sup>9</sup> Proposed Pool 1 71629					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 5702'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 2500'	<sup>18</sup> Formation Fruitland Coal	<sup>19</sup> Contractor	<sup>20</sup> Spud Date 6/29/2003

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	300'	210	Surface
7-7/8"	5-1/2"	17#	2500'	215 poz + 150 neat	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SG Interests I, Ltd. proposes drilling a Fruitland Coal well at the above referenced location to further develop methane reserves. SG proposes setting 5-1/2" casing 150 feet deeper than the Fruitland Coal base. SG will then perforate and stimulate the Fruitland Coal. A 3000# double ram hydraulic BOP will be used. Since maximum anticipated formation pressure is 1200 psi, accessories to the BOP will meet requirements for a 2000 psig system. The accumulator system capacity will be sufficient to close all BOPE with a 50% safety factor. Fill line, kill line and line to choke manifold will be 2". BOP's will be function tested every 24 hours and will be recorded on IADC log.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Lynn Garner*  
Printed name: Lynn Garner  
Title: Operations Manager  
Date: 05/21/03  
Phone: (970) 259-2701

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title: *NEUTRAL GAS INSPECTOR, DIST. 33*

Approval Date: MAY 22 2003

Expiration Date: MAY 22 2004

Conditions of Approval  
Attached ☐

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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 15, 2000  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-045-31698</b>		<sup>2</sup> Pool Code <b>71629</b>	<sup>3</sup> Pool Name <b>Basin Fruitland Coal</b>
<sup>4</sup> Property Code <b>009766</b>	<sup>5</sup> Property Name <b>SANTA ROSA 32</b>		<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> OGRID No. <b>020572</b>	<sup>8</sup> Operator Name <b>SG INTERESTS I, LTD.</b>		<sup>9</sup> Elevation <b>5702</b>

**10 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>0</b>	<b>32</b>	<b>30 N</b>	<b>9 W</b>		<b>840</b>	<b>South</b>	<b>1855</b>	<b>East</b>	<b>San Juan</b>

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>320 E/2</b>	<sup>13</sup> Joint or Infill <b>I</b>	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Lynn Garner</i> Printed Name: <b>Lynn Garner</b> Title: <b>Operations Manager</b> Date: <b>May 21, 2003</b>	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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 belief. Date of Survey: <b>MAY 2003</b> Signature and Seal of Professional Surveyor: <i>William E. Burke II</i> Certificate Number: <b>8466</b>	