

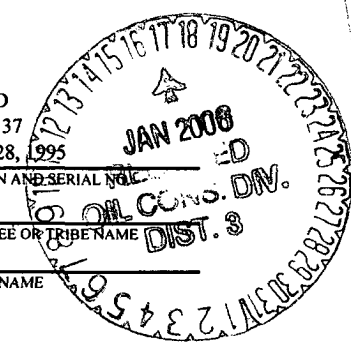
SUBMIT IN DUPLICATE\*  
(See other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

2006 JAN 11 PM 1

5. LEASE DESIGNATION AND SERIAL NO.  
NMNM53926



WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WORK

OIL WELL ☐ GAS WELL ☒ DRY ☐

1b. TYPE OF WELL

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR. ☐ Other

2. NAME OF OPERATOR

SG INTERESTS I LTD, c/o Nika Energy Operating, LLC

3. ADDRESS AND TELEPHONE NO.

PO Box 2677, Durango, CO 81302 (970) 259-2701

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)

At Surface

660' FSL, 850' FWL, UNIT M

At top prod. Interval reported below

7. UNIT AGREEMENT NAME

FARMINGTON NM

8. FARM OR LEASE NAME, WELL NO.

FEDERAL 20-6-3 #3

9. API WELL NO.

30-031-21069

10. FIELD AND POOL OR WILDCAT

Pot Mesa/Corrales Field Basin FC

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

(SWSW) Sec 3-T20N-R6W

At total depth

Same

14. PERMIT NO.

DATE ISSUED

7/22/05

12. COUNTY OR PARISH

McKinley

13. STATE

NM

15. DATE SPUNDED

10/29/05

16. DATE T.D. REACHED

10/30/05

17. DATE COMPL. (Ready to prod.)

11/23/05

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)

6861' GR

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

MD 860'

TVD

21. PLUG, BACK T.D., MD & TVD

MD 809'

TVD

22. IF MULTIPLE COMPL., HOW MANY\*

1

23. INTERFERENCE BY ROTARY TOOLS

0'-860'

CABLE TOOLS

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24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\*

Fruitland Coal 603'-690'

26. TYPE ELECTRIC AND OTHER LOGS RUN

SDL/DSN/HRI; CBL/CCL/DCL 808' to Surface

25. WAS DIRECTIONAL SURVEY MADE

yes

27. WAS WELL CORED

No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7" J-55	20#	177'	12-1/4"	175 sx; 15 B/cem circ to surface	
4-1/2" J-55	10.5#	851'	6-1/4"	150 sx; 2 B/cem circ to surface	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	752'; SN @ 720'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
New Perfs:		
603'-608'		104 holes
684'-690'		
625'-626'	All 4 spf, 3-1/8" gun	
646'-648'		
664'-676'		

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
603'-690'	672 gal 15% Dbl inhibited Fe acid in 5 settings;
	1000 gal acid, 36,675 gal Silverstim Fluid
	70000# 20/40 Ottawa Sand

33.\* PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) 20# Delta 140 frac fluid w/sandwedge; 122,255# 20/40 Brady Sand.

Shut in/WO hookup

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
11/30/05	24	48/64"		0	405	54	n/a

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)
48# Pumping	48#		0	405	54	n/a

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Will be sold when hooked up

TEST WITNESSED FOR RECORD  
Jeff Welch, Agent

35. LIST OF ATTACHMENTS

All electric logs were sent directly to the NMOCD Office, Aztec, NM

JAN 12 2006

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Marcia Stewart TITLE Agent for SG Interests I Ltd

FARMINGTON FIELD  
BY DATE 1/12/2006

\*(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCD

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);					38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
Fruitland Coal	646'	690'	No cores were taken; no DST's were run.				