

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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DEC 14 2018

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No. NM 077968
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. Indian, Allottee or Tribe Name
2. Name of Operator SG Interests I, Ltd c/o Nika Energy Operating LLC		7. If Unit of CA/Agreement, Name and/or No. 14-08-00018196
3a. Address P. O. Box 2677, Durango, CO 81302		8. Well Name and No. SE Cha-Cha Unit #36
3b. Phone No. (include area code) (970) 259-2701		9. API Well No. 30-045-24159
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit 2: 1665' FSL, 2060' FEL Section 8, T28N-R13W (NWSE)		10. Field and Pool or Exploratory Area SE Cha-Cha Gallup
		11. Country or Parish, State San Juan County, New Mexico

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

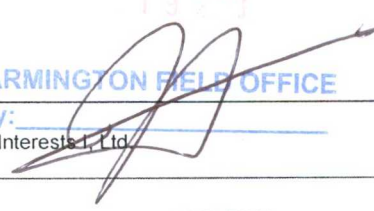
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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
	<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 Operation: 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

(See Sundry Notice of Intent to Re-perforate and Acidize of 11-13-2018). (TD reached 05/05/1980). MIRU 11/28/2018. Pull rods & pump (polish rod, 7/8" guided rods w/patco guides, 3/4" guided & plain rods. Patco guides broke off 2-rods & hung up in pumping tee, worked free). NU BOP. On 11/29/2018, tag 8' below landing point (5656'). Load 40 bbls produced water on hot oil truck. RU hot oil truck, pump water down tbg 250-270 degrees. Last 20 bbls tbg on vacuum. RD hot oil truck, RU Tuboscope, pull & scan tbg. (41 yb, 74 bb, 45 bb & 14 rb). RD Tuboscope. Tally & start in w/bit, tbg & 5-1/2" scraper. Shut BOP, install TIW valve on tbg. On 11/30/2018 Rn Gamma Ray Correlation Depth Log. Ran slick guns. Perf well 5624' - 5636' KB, 4 SPF, 120 degree phasing. Acidize as follows: Pumped 1500 gals 15% HCL, displaced with water to tbg BTM (661.02' KB). On 12/3/2018 RU swab. Tag fluid 3200' from surface. On 12/4/2018 POOH with tbg & bailer. RIH with cut mule shoe, 2" pup, seating nipple 178 each jts 2-3/8" j-55 TBG, 2 EA 10' x 2-3/8" pup jts EOT 5636.27' KB, seating nipple 5634.27' KB. On 12/05/2018 RU swab. Tag fluid 3600' from surface. Swabbed 11 runs, recovered 31 bbls. Ran 2" X 1-1/4" X 9' X 12" RHBC-Z pump, 4 ea 3/4" guided rods, no-tap tool, 13 ea 3/4" guided rods, 24 ea 3/4" guided rods w/Patco scrapers, 62 ea 3/4" plain rods, 61 ea 3/4" rods w/Patco scrapers, 59 ea 7/8" rods w/Patco scrapers, 1 ea 8', 1 ea 6' & 1 ea 2' X 7/8" pony rods & 16' polish rod w/liner.

RD, MO on 12/06/2018. Well pumping. Tested well for 19 hours; open choke, produced 6.5 bbls oil, 40 bbls water @ 20# csg pressure.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
William (Tripp) Schwab, III

By: 
Title Agent for SG Interests I, Ltd

Signature

Date

12/07/2018

THE SPACE FOR FEDERAL OR STATE OFFICE 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 and Title 43 U.S.C. Section 1212, make 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 page 2)

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