

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS **FEB 13 2019**

RECEIVED

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.

Farmington Field Office
Bureau of Land Management

5. Lease Serial No.
NM 99718

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 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)
*Unit L: (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
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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 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 shall 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 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 proposes to TA the subject well as per the Temporary Abandon aattached. Work will commence as soon as possible after approval.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Notify NMOCD 24 hrs prior to beginning operations

NMOCD

FEB 22 2019

DISTRICT III

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

Name (Printed/Typed)

William (Tripp) Schwab III

Title

Agent for SG Interests I Ltd

Signature

[Signature]

Date

February 11, 2019

THIS SPACE FOR FEDERAL OR STATE USE

Approved by *[Signature]* Title *PE* Date *2/20/19*

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 *FTD*

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)

NMOCD *AV*

SG Interests I, Ltd.

Federal 20-5-6 #3

NWSW, Sec. 6, T20N-R5W

Lat 35.99050° N, -107.41267° W

Sandoval County, NM

API # 30-031-21102

February 2019

Temporarily Abandon

TS

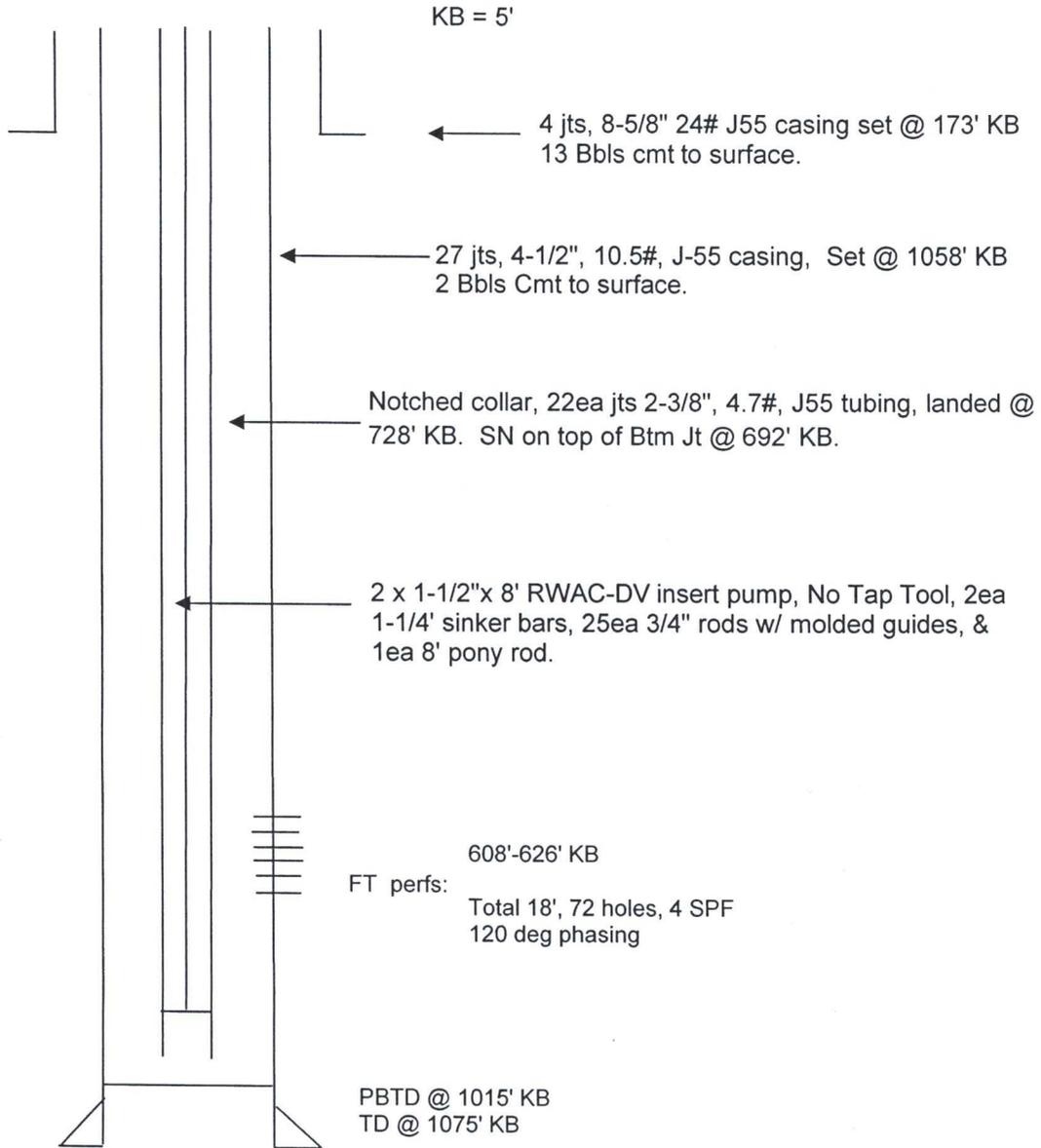
GL: 6787'
TD: 1075' KB
PBSD: 1015' KB
KB: 5'
CSG: 1058' KB, 27 jts, 4-1/2", 10.5#, J-55
Perforations: 608'-626' gross interval
Rathole: 389'
Tbg: Landed @ 728' KB, NC, 22 jts 2-3/8", 4.7#, J55 tubing.
SN on top of btm jt @ 692' KB
Pump & Rods: 2 x 1-1/2" x 8' RWAC-DV insert pump, No Tag tool, 2ea
1-1/4" sinker bars, 25ea 3/4" rods w/ molded guides, & 1ea
8' pony rods.
Current Production: 0 MCFD, 0 BWPD
Expected Production: 0 MCFD, 0 BWPD
Well History: 7/09 Initial Completion

Directions:

From Counselor Trading Post on US Hwy. 550, travel south on US 550 ±0.1 miles, turn right on dirt road with sign "Star Lake Compressor-26 miles". This is the 0 miles point for this description. Follow dirt road south.

- 4.3 miles – turn left at "Ojo Encino" sign,
- 11.0 miles – Transition to pavement with sign "N 474",
- 15.4 miles – Turn right off pavement through cattle guard onto dirt road,
- 16.6 miles – Turn left off road immediately after cattle guard onto and follow access road east, and south,
- 17.7 miles – Turn left and follow flagged access road east ±550 feet to location.

Wellbore Diagram



Procedure:

*Note: 1) Take accurate tallies and counts of tbg, rods and setting depths.
Report same.*

Note: 2) May have to replace tubing string if it does not test OK.

Note: 3) Cell Phone service is nonexistent to limited on location.

Note: 4) Comply with all safety and environmental requirements.

All workover fluids (rig pits, flow back tanks, frac tanks)

Will be hauled to nearest available legal disposal site.

Note: 5) BLM & NMOCD must be Notified 24 hrs in advance of any cementing or casing test operations.

- 1) Test rig anchors if needed. Use water truck for fresh water tank.
- 2) MIRUSU. Record bradenhead, casing and tubing pressures. Report any problem pressures. Blow down and kill well as necessary.
- 3) POOH, with rods and pump, laying down on trailer. Send pump to Energy Pump and rods/sinker bars to M&R yard.
- 4) NDWH & NUBOP. RU Tuboscope. POOH, standing back good tubing. Laydown reject tubing. Pull yellow band from M&R stock or Cave for work string, if needed.
- 5) RIH with bit and scraper checking for scale and/or fill. If fill is 608' KB or below, do not CO. If fill is above 608' KB, TOO H, RU bailer and CO to 608' KB. TOO H, standing back tubing, lay bailer on bank.
- 6) RIH and set CIBP @ $\pm 598'$ KB. Pull up one jt & circulate hole with fresh water.
- 7) RU XXXX Testing & test/chart casing to 500#. RD XXXX. Blow down. If casing does not test look for leak & remediate. Additional instruction will be provided based on conditions.

- 1) If casing tests OK, RDBOP. RUWH. Top off casing with fresh water and add packer fluid. Shut in WH and plug all openings with tapped bull plugs and needle valves.
- 2) RD MOSU. Police location for trash and equipment. Haul tubing to M&R Yard.

Important Numbers:

Regulatory

BLM	505-564-7600	Main Switchboard
NMOCD	505-334-6178	Monica Kuehling

WO Issues:

Tripp Schwab	970-259-2701 970-769-3589 970-769-3589	Office Mobile Home
Brad McKinney	970-749-2163	Mobile
Levi Casaus	970-426-1272	Mobile
RJ McKinney	480-694-6519	Mobile

Vendor List

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Dirt Contractor	Bridge Dozer Robert Bridge	Home	505-289-4048 Cell 505-249-6942
Pit Liner	see Dirt Contractor		
Anchors	Mote	Off	505-325-9711 Off 505-325-1666
Rod Pumps etc.	Energy Pump and Supply Gary Noyes	Off	505-564-2874
PC Pump	Weatherford ALS Dave Cox	Off	505-564-8381
Tubing Inspection	Tuboscope Bruce Hare	Off	505-333-2224
Tubing	Cave Jim Cave	Off	505-325-3401
Cement	Halliburton Josh Lynch	Off	505-210-2120
Wellhead Equipment	WSI Linda	Off	505-326-0308
Logging / Perforating	Basin Well Logging Dana McGarrah	Off	505-327-5244
Water Hauling & Frac Tank	CNJ Trucking Craig Nelson	Off	505-320-8345
Frac Tank & Heavy Hauling	Lindrith Backhoe	Cell	505-320-5460
Light Trucking / Hotshot	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
Rig Move	Lindrith Oilfield Service		

Vendor List Cont.

Porta Johns	Cabannas Hal Stone	Off Cell	505-325-5835 505-330-7566
Drywatch	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
BOP Testing	TBD		
Roustabout	Keystone Randy Schreffler		505-334-8462
BOP Rental	TBD		
Rig	TBD		
Drywatch	Double S Hotshot Debbie & Larry Slavin	Cell	505-334-3850