

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

Form C-104
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address SG INTERESTS I, LTD c/o Nika Energy Operating, LLC PO Box 2677 Durango, CO 81302		² OGRID Number 020572
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30 - 043-21001	⁵ Pool Name Fruitland Coal	⁶ Pool Code 71629
⁷ Property Code 35514	⁸ Property Name FEDERAL 21-6-30	⁹ Well Number 3

II. ¹⁰ Surface Location

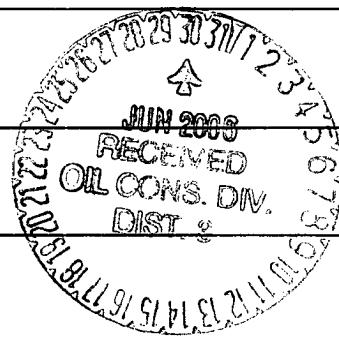
UL or lot no. M	Section 30	Township 21N	Range 6W	Lot.Idn	Feet from the 660'	No/So Line SOUTH	Feet from the 660'	East/West line WEST	County Sandoval
--------------------	---------------	-----------------	-------------	---------	-----------------------	---------------------	-----------------------	------------------------	--------------------

¹¹ Bottom Hole Location

UL or lot no.	Section SAME	Township AS	Range AS	Lot Idn	Feet from the ABOVE	North/South line	Feet from the	East/West line	County
¹² Lse Code F	¹³ Producing Method Code P	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
8503	PNM Gas Services		G	M-Sec 30-T21N-6W
	Alvarado Square 2608 Albuquerque, NM 87208			



IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description M-Sec 30-T21N-6W
-------------------	--

V. Well Completion Data

²⁵ Spud Date 4/25/06	²⁶ Ready Date 6/8/06	²⁷ TD 910'	²⁸ PBTD 880'	²⁹ Perforations 698'-716'; 774'-777'	³⁰ DHC, MC
³¹ Hole Size 12-1/4"	³² Casing & Tubing Size 8-5/8"	³³ Depth Set 176' KB	³⁴ Sacks Cement 140 sx; 10 B/cem circ to surf		
7-7/8"	4-1/2"	885'	250 sx; 15 B/cem circ to surf		
	2-3/8"	807'			

VI. Well Test Data

³⁵ Date New Oil n/a	³⁶ Gas Delivery Date WO Pipeline Hookup	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil 0	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Marcia Stewart*
Printed name: Marcia Stewart
Title: Agent for SG Interests
E-mail Address: marcia@nikaenergy.com
Date: 6/27/06
Phone: (970) 259-2701

8-3-06 OIL CONSERVATION DIVISION Approved by: <i>Charles Herrin</i> 8-4-06 Title: SUPERVISOR DISTRICT # 3 Approval Date: AUG - 3 2006
