

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

NOV 10 11 34

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL ☐ GAS WELL ☒ OTHER ☐ FARMINGTON NM

1b. TYPE OF WELL

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

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, 1980' FEL (SWSE) O-Sec 29-T21N-R6W

At top prod. Interval reported below

At total depth

Same

14. PERMIT NO.

DATE ISSUED

3/7/06

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPUDDED

5/10/06

16. DATE T.D. REACHED

5/12/06

17. DATE COMPL. (Ready to prod.)

6/22/06

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

6782' GR

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

MD 900' TVD

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

MD 867' TVD

22. IF MULTIPLE COMPL., HOW MANY*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0-900'

CABLE TOOLS

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

Fruitland Coal 698' - 717'

26. TYPE ELECTRIC AND OTHER LOGS RUN

SDL/DSN/HRI; CBL/CCL/DCL 867' 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
8-5/8" J-55	24#	178' KB	12-1/4"	150 sx; TOC 140' Circ 15 Bbls to surf	PT 1500#
4-1/2" J-55	10.5#	879' KB	7-7/8"	265 sx; circ 10 Bbls to surf	PT 3000#

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"	772'; SN @ 738'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
New Perfs: 698' - 717'	4 spf	3-1/8" csg gun
Total 76 holes		

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
698'-717'	500 gal 15% HCl/DI/FE acid; 500 gal acid prior to pad;
	40,294 gal SSLT Frac Fluid; 770 sx 20/40 Brady
	Sand w/max BH concentration of 5.07#/gal

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)
	20# Delta 140 frac fluid w/sandwedge; 122,255# 20/40 Brady Sand.	Shut in/WO Pipeline

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)

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

Will be sold as soon as connected to pipeline

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

All electric logs were sent directly to the New Mexico Oil Conservation Division

ACCEPTED FOR RECORD

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

DATE

JUL 17 2006

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

NMOCD

FARMINGTON FIELD OFFICE

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	TRUE VERT. DEPTH
Ojo Alamo	250'		No cores were taken; no DST's were run.			
Kirtland Shale	389'					
PC Sandstone	720'					
Huerfanito Bentonite	NDE					

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