

Submit 3 Copies To Appropriate District
Office

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-031-20892

5. Indicate Type of Lease
Federal

6. State Oil & Gas Lease No.
NM-53926

7. Lease Name or Unit Agreement Name
Corrales

8. Well Number #1

9. OGRID Number

10. Pool name or Wildcat
Pot Mesa Fruitland

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
SG Interests I, Ltd.

3. Address of Operator
PO Box 2677, Durango, Colorado 81302

4. Well Location

Unit Letter O : 465' feet from the south line and 1785 feet from the east line

Section 3 Township 20N Range 6W NMPM SW/SE County McKinley

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6912 GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type P&A cementing Depth to Groundwater 100 ft Distance from nearest fresh water well > 1000 ft Distance from nearest surface water > 500 ft

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 20 bbls; Construction Material Synthetic

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

P&A cementing pit to be located approximately 10-15 feet from wellhead. Pit will be used to circulate cement for plugging operations. Pit will be considered out of service after P&A is completed and will be constructed, operated and closed in accordance with NMOC guidelines and SGI procedures.

RCVD FEB9'07

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed on closed according to NMOC guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Agent for SG Interests, I, Ltd DATE 2/8/2007

Type or print name William Schwab IIIE-mail address: tripp@nikaenergy.com Telephone No. 970-259-2701

For State Use Only

APPROVED BY: H. VillanuevaTITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3

DATE

FEB 09 2007

Conditions of Approval (if any):

2/9/07