

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

JUL 31 2008

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.

Bureau of Land Management
Farmington Field Office

5. Lease Serial No.

NMNM99732

6. If Indian, Allottee or Tribe Name

Office

RCVD AUG 4 '08

7. If Unit or CA/Agreement, Name and/or No.

OIL CONS. DIV.

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)

Lot 2: 1980' FNL, 660' FWL (SWNW)

Sec 30-T21N-R6W

8. Well Name and No.

Dist. 5

FEDERAL 21-6-30 #2

9. API Well No.

30-043-21059

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

Sandoval County, NM

12. CHECK 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Spud & Csg Update

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 recompleat 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 recompleat 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.)

Spud well 7/23/08. Drilled 12-1/4" hole to 218'. Circ & cond hole. RIH w/5 jts 8-5/8" 29# J-55 csg. Cem w/150 sx Class 'G' w/2% CaCl₂, 1/8#/sk Polyflake. (BLM/NMOCD notified of cementing). WOC. Test BOPE, 8-5/8" csg (1500 psi high; 250 psi low), ok (notified BLM/NMOCD of BOPE testing). PU 7-7/8" bit & drill thru cem and continue drlg 7-7/8" hole to TD 914 (reached TD 7/26/08). RIH w/JetWest logs and could not go deeper than 606'. CO to 914'; circ & cond hole. Rn open hole log from 902' to btm of surf csg. RIH w/22 jts (902') 4-1/2" 10.5# J-55 csg; landed @ 907' KB. Cem csg w/350 sx Class 'G' w/1/8#/sk Polyflake, 3#/sk Gilsonite; 14 B/cem returns to pit. (BLM/NMOCD notified of cem 4-1/2" csg). WOC. RDMODR 7/29/08.

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

Name (Printed/Typed)

Marcia Stewart

Title

Agent for SG Interests I Ltd

Signature

Marcia Stewart

Date

July 29, 2008

THIS SPACE FOR FEDERAL OR STATE 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, 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)

REPORT TOC ON 8 5/8" CASING, SETTING DEPTH FOR 8 5/8" CSG, PRESSURE TEST AND DETAILS FOR 8 5/8" AND 4 1/2" CASING. NEXT REPORT

RR

NMOCD

AD

ACCEPTED FOR RECORD

JUL 31 2008

FARMINGTON FIELD OFFICE
BY 