

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 04 2008

5. LEASE DESIGNATION AND SERIAL NO

NMNM99732

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Report to lease

8. FARM OR LEASE NAME, WELL NO.

FEDERAL 21-6-29 #2

9. API WELL NO.

30-043-21057-0001

10. FIELD AND POOL OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 29-T21N-R6W

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL
WFLI. ☐

GAS
WFLI. ☒

DRY ☐

Other

1b. TYPE OF WELL

NEW
WELL ☒

WORK
OVER ☐

DEEPEN ☐

PLUG
BACK ☐

DIFF
RESVR. ☐

Other

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

Unit C: 730' FNL, 1960' FWL (NENW)

At top prod. Interval reported below

At total depth

Same

14. PERMIT NO.

DATE ISSUED

2/5/08

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPURRED

7/9/08

16. DATE T.D. REACHED

7/12/08

17. DATE COMPL. (Ready to prod.)

10/23/08

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

6869' GR

19. ELEV. CASINGHEAD

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20. TOTAL DEPTH, MD & TVD

MD 1040' TVD

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

MD 994' TVD

22. IF MULTIPLE COMPL., HOW MANY*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0'-1040'

CABLE TOOLS

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

Fruitland Coal 820'-832'

25. WAS DIRECTIONAL SURVEY MADE

Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/CBL/CCL PBTD (994') to surface csg

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#	215' KB	12-1/4"	150 sx; Circ 10 Bbls to surf	
4-1/2" J-55	10.5#	1037' KB	7-7/8"	300 sx; circ 12 Bbls to surf	

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"	900'; SN @ 865'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL

New Perfs:

820'-832' (12')

SIZE

NUMBER

3-1/8" csg gun, 4 spf, 120 deg phasing

Total 100 holes - all shots fired

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
820'-832'	500 gal acid; 165 B/DynaFrac 20
	51,000# 20/40 Brady Sand
	Flush

33.*

PRODUCTION

DATE FIRST PRODUCTION

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)

Pumping

WELL STATUS (Producing or shut-in)

Shut in/WO Pipeline

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD'N. FOR TEST PERIOD

OIL--BBLs

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

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

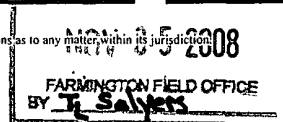
ACC'D DATE 10/28/08

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

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

NMOCD

8/12



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FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Ojo Alamo	243'		No cores were taken; no DST's were run.
Kirtland Shale	468'		
PC Sandstone	834'		
Huerfanito Bentonite	NDE		
NDE = NOT DEEP ENOUGH			

NAME	200 -	TOP	
		MEAS. DEPTH	TRUE VERT. DEPTH
		1899.8	

NDE = NOT DEEP ENOUGH