

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

30-045-31668

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

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. c/o Sagle & Schwab Energy Resources

3. Address of Operator

PO Box 2677, Durango CO 81302-2677

Santa Rosa 33

8. Well No. 4

9. Pool name or Wildcat

Fruitland Coal

4. Well Location

Unit Letter I : 1480 Feet From The South Line and 1080 Feet From The East Line

Section 33 Township 30N Range 9W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
5704' GR

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

11. **NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☒

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

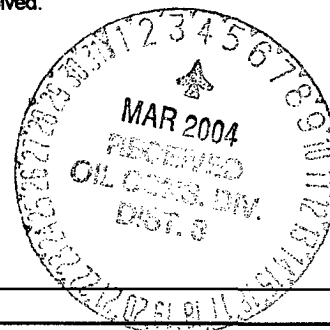
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

SG Interests I, Ltd. is requesting approval of a location change from: 1480' FSL & 1080' FEL (Unit Letter I) to 970' FSL & 810' FEL (unit Letter P). All other conditions of the approved APD are the same. Copy of the approved APD and new location survey are attached. This change is being made for landowner considerations. A Surface Damage Agreement for the requested location has been signed by all parties involved.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Lynn Garner
Lynn Garner

TITLE

Operations Manager

DATE

03/01/04

TYPE OR PRINT NAME

TELEPHONE NO.

(970) 259-2701

(This space for State Use)

APPROVED BY

[Signature]

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 3

DATE

MAR - 4 2004

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address SG Interests I, Ltd c/o Sagle & Schwab PO Box 2677 Durango, CO 81302		² OGRID Number 020572
⁴ Property Code 009768	³ Property Name Santa Rosa 33	³ APL Number 30-0 45-31668
		⁶ Well No. 4

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
I	33	30N	9W		1480	South	1080	East	San Juan

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
⁹ Proposed Pool 1 71629					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5704'
¹⁶ Multiple No	¹⁷ Proposed Depth 2500'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor	²⁰ Spud Date 6/15/2003

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	300'	210	Surface
7-7/8"	5-1/2"	17#	2500'	215 poz + 150 neat	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SG Interests I, Ltd proposes drilling a Fruitland Coal well at the above referenced location to further develop methane reserves. SG proposes to set 5-1/2" casing 150 feet deeper than the Fruitland Coal base. SG will then stimulate the Fruitland Coal. A 3000# double ram hydraulic BOP will be used. Since maximum anticipated formation pressure is 1200 psig, accessories to the BOP will meet requirements for a 2000 psig system. The accumulator system capacity will be sufficient to close all BOPE with a 50% safety factor. Fill line, kill line and line to choke manifold will be 2". BOP's will be function tested every 24 hours and will be recorded on IADC log.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
Signature: *Lynn Garner*

Printed name: Lynn Garner
Title: Operations Manager

Date: 05/07/03
Phone: (970) 259-2701

OIL CONSERVATION DIVISION

Approved by: *[Signature]*
Title: DEPUTY OIL & GAS INSPECTOR, DIST. 43

Approval Date: MAY - 8 2003
Expiration Date: MAY - 8 2004
Conditions of Approval
Attached ☐

District I

1625 N. French Dr., Hobbs, NM 88249

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87419

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 45-31668		² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 009768	⁵ Property Name SANTA ROSA 33		⁶ Well Number 4
⁷ OGRID No. 020572	⁸ Operator Name SG INTERESTS I, LTD.		⁹ Elevation 5674

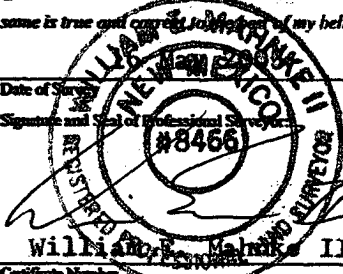
Surface Location

UL or lot no. P	Section 33	Township 30 N	Range 9 W	Lot No. 970	Feet from the North/South line South	Feet from the East/West line East	County San Juan
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Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the North/South line	Feet from the East/West line	County
¹⁰ Dedicated Acres 320	¹¹ Joint or Infill I	¹² Consolidation Code	¹³ Order No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ Fd. N 89° 59' W 79.48 ch. Sec. 33 LAT. 36.76240° N LONG. 107.77881° W N 89° 27' W 80.18 ch. Fd.	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: Lynn Garner Printed Name: Operations Manager Title: Operations Manager Date: 5/19/03	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: 5/19/03 Signature and Seal of Professional Surveyor:  Certificate Number: 8466	