

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-043-21054
5. Indicate Type of Lease STATE [ ] FEDERAL [X]
6. State Oil & Gas Lease No. NMNM113429
7. Lease Name or Unit Agreement Name Federal 21-6-28 SWD
8. Well Number #33
9. OGRID Number 020572
10. Pool name or Wildcat SWD Entrada, Bluff, Morrison

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 [X] Salt Water Disposal
2. Name of Operator SG Interests I Ltd. c/o Nika Energy Operating, LLC
3. Address of Operator PO Box 2677, Durango, CO 81302
4. Well Location Unit Letter M : 660 feet from the South line and 660 feet from the West line Section 28 Township 21N Range 06W NMPM County Sandoval
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6862'

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 [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: Mechanical Integrity Test [X]

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On March 17th, 2022 SG Interests conducted an MIT on the subject well per previously submitted Sundry Notice. Well passed test and was witnessed by NMOCD Inspector John Durham.

Spud Date: [ ]

Rig Release Date: [ ]

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

SIGNATURE Wm Schwab III TITLE Agent for SG Interests I, Ltd. DATE 3/23/2022

Type or print name William Schwab III E-mail address: tripp@nikaenergy.com PHONE: 970-259-2701
For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

# SG Interests I, Ltd.

## Federal 21-6-28 SWD #33

UL M, SW 1/4, Sec. 28, T21N-R6W  
Lat 36.01604 °N, Long -107.48189 °W

McKinley Co, NM

API # 30-043-21054

March 2022

Perform MIT with NMOCD Witness

TS

GL: 6891'  
 TD: 6609' KB  
 PBSD: 6563' KB  
 KB: 15'  
 CSG: 156 jts 7", 23#, N80 casing, TOC ± 3600'  
 Perforations: 6312'-6498' gross interval (top of fish @ 6372 covering lower two sets of perfs)  
 Rathole: 62' (covered by fish)  
 Tbg: WL 3-1/2" API Re-entry guide, 2.25 ID "R" SN, 8.3' x 3-1/2" pup jt, HES PLS 7, 26-32, 3-1/2" packer assembly, 3-1/2" x 7" XL on/off tool, 31.9' x 3-1/2" pup jt, 2.75 ID "F" SN, + 196 jts 3-1/2" 9.3# J55 tbg, Packer Set @ 6245' KB in 12K compression, tail pipe @ 6258

Current Production: average 2500 BWPD injected @ 375 psi.

### Well History:

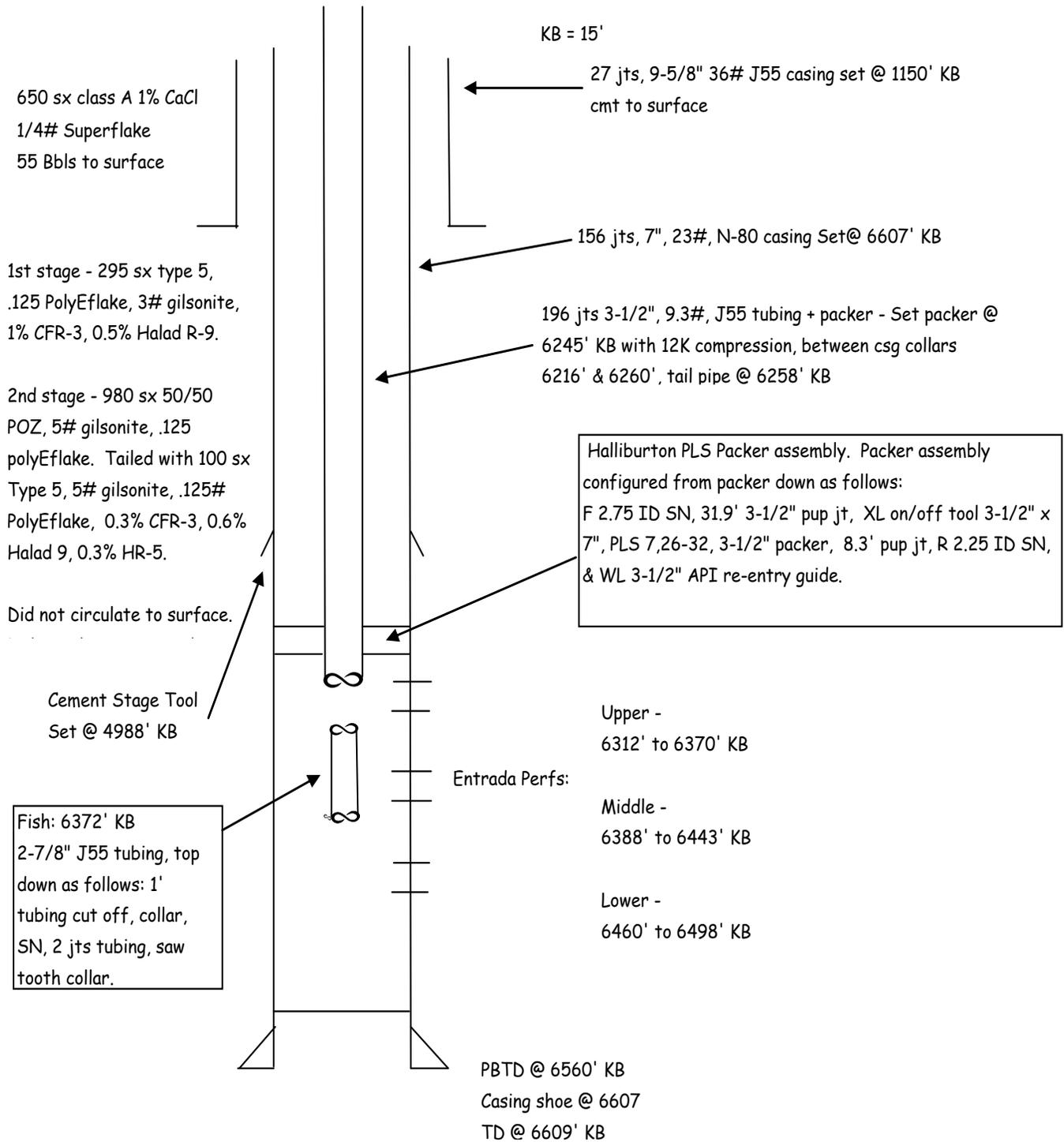
3/08	Initial Completion
10/09	MIT
11/09	WO to replace bad tubing.
5/13	MIT
8/15	MIT + Acid Job.
3/21	MIT, rejected.

**DIRECTIONS:** From Counselor Trading Post on US Hwy 550, travel south on Hwy 550 +/- 0.1 miles, turn right on dirt road with sign: "Star Lake Compressor-26 miles". This is the 0 miles point for this description. Follow dirt road:

- AT: 4.3 miles – Turn left at "Ojo Encino School" sign,
- " 11.0 miles – Transition to pavement with sign N 474,
- " 14.5 miles – Turn right off pavement through cattle guard onto dirt road,
- " 17.8 miles – Turn right off main road and follow existing North El Pintado Compressor sight access road to Compressor site,
- " 18.5 miles – Travel NE through Compressor site to NE Corner of site,
- " 18.6 miles – Location is NE ± 70'.

Federal 21-6-28 SWD #33  
March 2022 MIT Procedure

### Current Wellbore Diagram



Federal 21-6-28 SWD #33  
March 2022 MIT Procedure

Procedure:

- Note: 1) Have Well Tender on Location to Kill Injection Pump and Restart after test is done.*
- 2) Make sure test chart recorder company has current calibration With backup.*
- 3) Cell Phone service is nonexistent to limited on location.*
- 
- 1) Safety Meeting. Check & record bradenhead, tubing & casing pressures. Perform Braden head test with OCD personnel.
  - 2) MIRU Drake Test Pump Truck. Have Well Tender Shut in Injection Pump last thing the night before, or first thing in the morning. If first thing in the morning, allow tubing pressure to stabilize a minimum of 30 min. Record Pressures again.
  - 3) MIRU Wilson Pressure Test Recorder Company. Chart recorder must have a 1000# spring, with a 1 hour clock, with a chart matching the spring range and clock rate.
  - 4) Connect test pump to casing. Pressure test lines w/ water. If lines test OK pressure up casing to 350 psi. Chart pressure for 30 minutes in front of NMOCD witness. Record all pressures at end of test.
- 
- 2) Blow down lines. RDMO Test Pump Truck, and Test Recorder Company.
  - 3) Well Tender will start onsite injection pump and set at previous rates.

Federal 21-6-28 SWD #33  
March 2022 MIT Procedure

**Important Numbers:**

**Regulatory**

BLM	505-564-7600	Main Switchboard
NMOCD	505-334-6178	

**WO Issues:**

Tripp Schwab	970-259-2701 970-769-3589 970-769-3589	Office Mobile Home
Brad McKinney	970-749-2163	Mobile
Levi Casaus	970-426-1272	Mobile
RJ McKinney	480-694-6519	Mobile

Federal 21-6-28 SWD #33  
March 2022 MIT Procedure

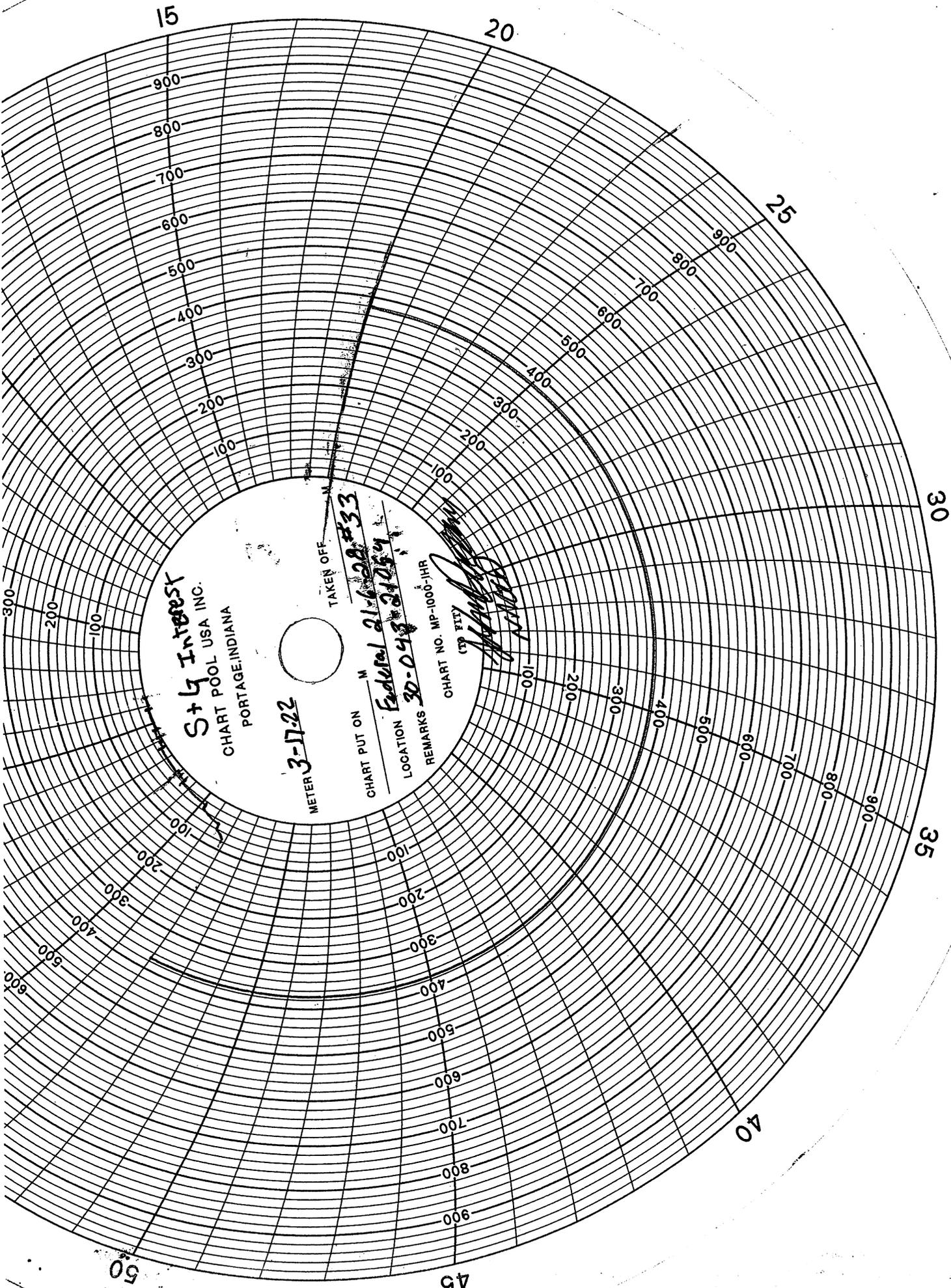
**Vendor List:**

<b><u>Service or Material</u></b>	<b><u>Company or Contact</u></b>	<b><u>Phone Number</u></b>	
Dirt Contractor	Keystone Randy Schreffler	Off	505-334-8462
Pit Liner	Ore Systems Zane Galloway		
Anchors	Mote	Off Off	505-325-9711 505-325-1666
Rod Pumps etc.	Drake Pump Service Drake McCulloch	Cell	505-320-1180
PC Pump	Black Arrow Solutions Dave Cox	Cell	505-320-8158
Tubing Inspection	Tuboscope	Off	505-333-2224
Tubing	Cave Jim Cave	Off	505-325-3401
Wellhead Equipment	WSI	Off	505-326-0308
Logging / Perforating	Basin Well Logging Dana McGarrah	Off	505-327-5244
Water Hauling	Overright Trucking Mike Overright	Off	505-215-3035
Frac Tank & Heavy Hauling	CNJ Trucking Craig Nelson	Cell	505-320-8345
Light Trucking / Hotshot	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
Rig Move	Drake Well Service Drake McCulloch	Cell	505-320-1180

Federal 21-6-28 SWD #33  
March 2022 MIT Procedure

**Vendor List Cont.**

<b><u>Service or Material</u></b>	<b><u>Company or Contact</u></b>	<b><u>Phone Number</u></b>	
Cementing	Drake Well Service Drake McCulloch	Cell	505-320-1180
Porta Johns	Cabannas Hal Stone	Off	505-325-5835
		Cell	505-330-7566
Drywatch	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
BOP & MIT Testing	Wilson & Co.	Off	505-334-3807
Roustabout	Keystone Randy Schreffler	Off	505-334-8462
BOP Rental	Drake Well Service Drake McCulloch	Cell	505-320-1180
Pressure Test Truck & Rig	Drake Well Service Drake McCulloch	Cell	505-320-1180



**Sty Interest**  
 CHART POOL USA INC.  
 PORTAGE, INDIANA

METER **3-1722**

TAKEN OFF

CHART PUT ON **M**

**21-6-22 #33**

LOCATION **Edwards 21-6-22 #33**

REMARKS **3D-043 21254**

CHART NO. MP-1000-IHR

(BY FIELD)

*[Handwritten Signature]*

Form 3160-5  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		5. Lease Serial No.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address	3b. Phone No. (include area code)	8. Well Name and No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		9. API Well No.
		10. Field and Pool or Exploratory Area
		11. Country or Parish, State

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

13. Describe Proposed or Completed Operation: 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
	Title	
Signature	Date	

**THE SPACE FOR FEDERAL OR STATE OFFICE 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 and Title 43 U.S.C Section 1212, make 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 page 2)

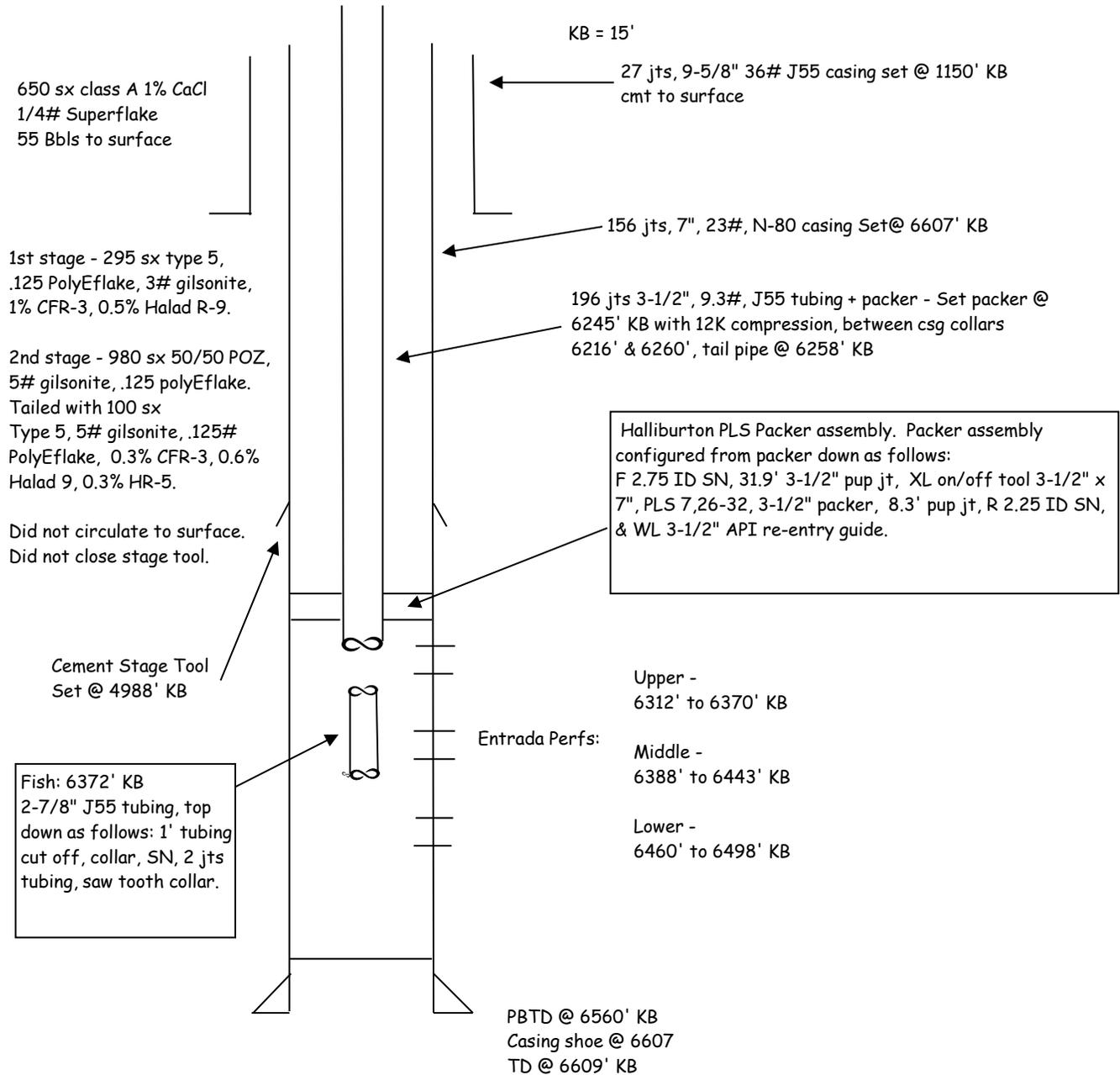
## Additional Information

### Location of Well

0. SHL: SWSW / 660 FSL / 660 FWL / TWSP: 21N / RANGE: 6W / SECTION: 28 / LAT: 36.01614 / LONG: -107.48189 ( TVD: 0 feet, MD: 0 feet )

BHL: SWSW / 660 FSL / 660 FWL / TWSP: 21N / SECTION: / LAT: 36.01614 / LONG: 107.48189 ( TVD: 0 feet, MD: 0 feet )

SG Interests, Ltd.  
Federal 21-6-28 SWD #33  
Wellbore Drawing  
03/2022





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

## MECHANICAL INTEGRITY TEST REPORT (TA OR UIC)

Date of Test 3-17-2022 Operator SG Interest I Ltol API # 30-0 43-21054

Property Name Federal 21-6-28 Well # 33 Location: Unit m Sec 28 Twp 21N Rge 6W

Land Type: State \_\_\_\_\_ Well Type: \_\_\_\_\_  
 Federal  Water Injection \_\_\_\_\_  
 Private \_\_\_\_\_ Salt Water Disposal   
 Indian \_\_\_\_\_ Gas Injection \_\_\_\_\_  
 Producing Oil/Gas \_\_\_\_\_  
 Pressure observation \_\_\_\_\_

Temporarily Abandoned Well (Y/N): N TA Expires: \_\_\_\_\_

Casing Pres. 0 Tbg. SI Pres. N/A Max. Inj. Pres. 1240  
 Wellhead Pres. 0 Tbg. Inj. Pres. 350  
 Tubing Pres. 350  
 Int. Casing Pres. N/A

Pressured annulus up to 380 psi. for 30 mins. Test passed/failed

REMARKS: Shut in pressure not available pump runs all the time  
Packer Set @ 6745 w/ 1200# compression  
Perfs 6312 - 6498

Kevin Harris Witness John Pysman  
 (Operator Representative) (NMOCD)

Representative for SG Interests  
(Position)

Revised 02-11-02

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
 Action 99782

**CONDITIONS**

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 99782
	Action Type: [C-103] Sub. Temporary Abandonment (C-103U)

**CONDITIONS**

Created By	Condition	Condition Date
mkuehling	5 year test approved - MIT required on or before March 17, 2027	6/10/2022