

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: NOO NAVAJO	Well Location: T20N / R6W / SEC 13 / NENE / 35.971191 / -107.416122	County or Parish/State: MCKINLEY / NM
Well Number: 1	Type of Well: OIL WELL	Allottee or Tribe Name: EASTERN NAVAJO
Lease Number: N00C14204402	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003120520	Well Status: Producing Oil Well	Operator: SG INTERESTS I LIMITED

Notice of Intent

Sundry ID: 2686541

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 08/10/2022

Time Sundry Submitted: 12:31

Date proposed operation will begin: 06/07/2022

Procedure Description: SG Interests I, Ltd. plans to P&A the subject well. An onsite has been held and reported on previous Sundries. Attached is the plugging procedure, reclamation procedure and well bore drawings. Actual work will commence after BLM and OCD approval.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Wellbore_Diagram_b_Noo_Navajo__1_April_2019_20220810123059.pdf

Wellbore_Diagram_a_Noo_Navajo__1_April_2019_20220810123048.pdf

Reclamation_Plan_Noo_Navajo__1_20220810123036.pdf

P_A_Procedure_Noo_Nav__1_August_2022_20220810123021.pdf

N00_Nav_P_A_Sundry_20220810123002.pdf

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Operator: SG INTERESTS I LIMITED

Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: WILLIAM SCHWAB III

Signed on: AUG 10, 2022 12:31 PM

Name: SG INTERESTS I LIMITED

Title: President

Street Address: 286 SAWYER DRIVE, SUITE A

City: DURANGO State: CO

Phone: (970) 259-2701

Email address: TRIPP@NIKAENERGY.COM

Field

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 08/10/2022

Signature: Kenneth Rennick

SG Interests I, Ltd.

N00 Navajo #1

UL A, NENE Sec. 13, T20N-R6W
 Lat 35.971195°N, Long -107.416937°W

McKinley County, NM

API # 30-031-20520

August 2022

P&A

TS

GL: 6729'
 TD: 2830' KB
 PBSD: 2750' KB (2744' KB?)
 KB: 5'
 CSG: 78 jts, 4-1/2", 10.5#, SA 2816' KB
 Perforations: 2308'-2317', 2723' 2727', 2730'-2735'
 Rathole: 15'
 Tbg: 1 jt 2-3/8" tail jt, seating nipple, 86ea jts 2-3/8" landed @ 2727' KB. SN @ 2696' KB. (12' pup jt down 1 jt from top counted a one of the 86 jts).
 Pump & Rods: 2 x 1-1/2" x 12' RWAC-Z insert pump, no tap tool, 106ea 3/4" rods (32 w/ 1guide per rod & 75 plain), & 4ea x 6' pony rods + polished rod and liner.
 Well History: 9/77 Initial Completion, CIBP set above lower perforations @ 2750'.
 9/77 First Sales
 10/78 Added upper perforations, no frac
 12/84 Pump change, lowered pump
 2/14 Replace 68 of 86 jts tubing, pump change
 4/19 Pump change
 1/21 Acidize, bail, swab, CO, pump change

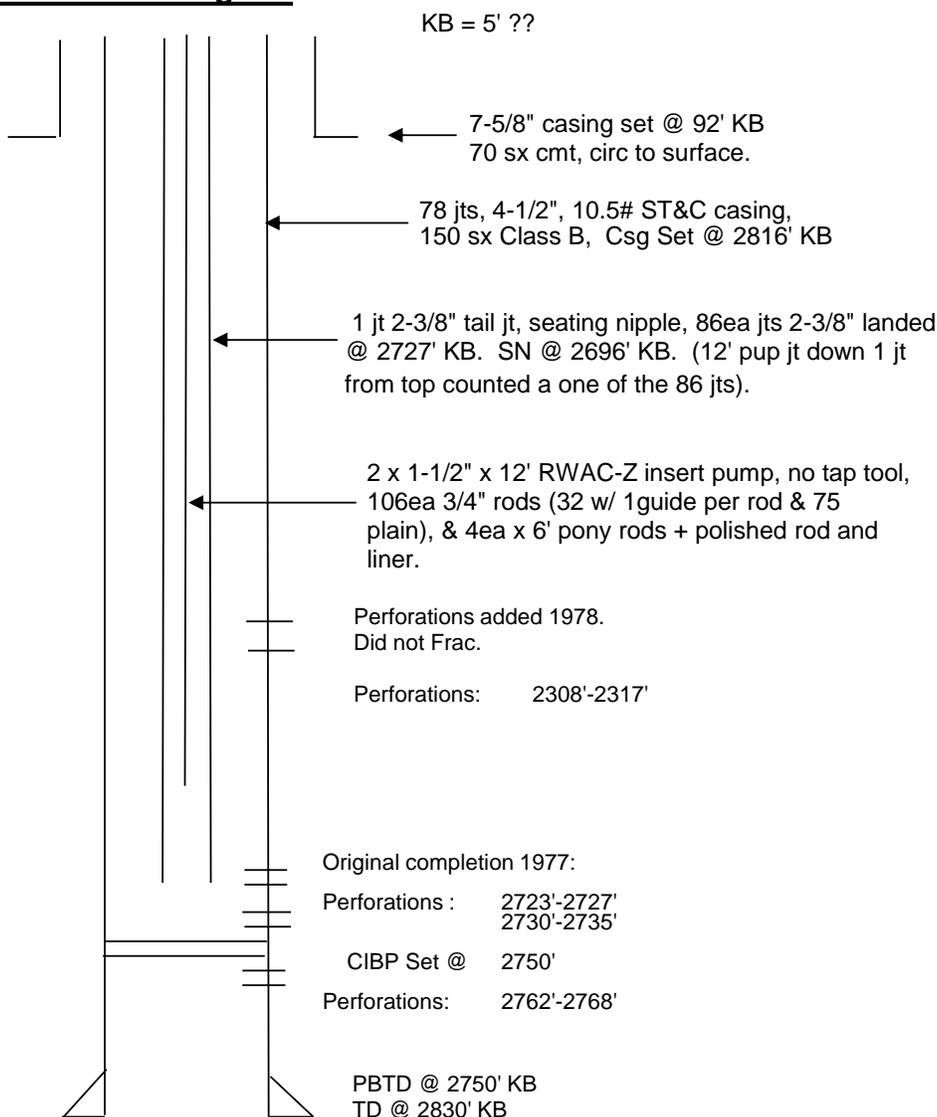
Directions:

From Counselor Trading Post on U.S. Hwy. 550, travel south on U.S. 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:

4.30 miles- Turn left at "Ojo Encino School" sign,
 11.00 miles- Transition to pavement with sign "N 474",
 15.40 miles- Turn right off pavement through cattle guard onto dirt road, signed SG Interests – El Pintado CDP South. Continue on dirt road in a south westerly direction,
 16.60 miles- Turn left immediately after old cattle guard, follow lease road east and then south,
 17.65 miles - Follow improved access road south ±7500 feet to location.

**N00 Navajo #1
P&A Procedure**

Current Wellbore Diagram



Note 1) Cell Phone service is nonexistent to limited on location.

Note 2) Comply with all safety and environmental requirements.

All P&A fluids (rig pits, flow back tanks, frac tanks)

Will be hauled to nearest available legal disposal site.

Note 3) BLM & NMOCD must be Notified 24 hrs in advance of any cementing

Note 4) This well will be prepped with Rig and initially cemented above perforations
with a work string. The final P&A will be done Rig-less.

Rig pit will be "salted" with 5-7 sx of sugar to keep cement from setting
in pit.

Note 5) There is a heavy presence of Archaeology in this area and all traffic
will be restricted to the actual driving surface of the roads and location.

N00 Navajo #1
P&A Procedure

Procedure, Part One:

- 1) Hold Safety Meeting. No rig anchors necessary and will already be pulled. Use water truck for fresh water tank.
- 2) MIRUSU. Check & record bradenhead, tubing & casing pressures. Record. Blow well down to rig pit.
- 2) POOH w rods & pump, laying down on trailer. Send Pump, ratigan and stuffing box to Drake, and the polished rod, rods/sinker bars to M&R yard.
- 3) NDWH, NUBOP. RU Tuboscope. POOH standing back good tubing. Lay down bad tubing. Keep separate. Check for corrosion and operation of valves. Replace valves and fittings as necessary. Replace bad tubing with yellow band for work-string and add for TD depth. TIH w/ bit, scraper, SN and tbg. Check for fill and/or scale. Report. If fill is below 2735' KB do not CO. If fill is above 2735' KB, RU bailer & CO until comfortably below 2735' KB.
- 4) POOH w/ work string. LD on bank bit, scraper, SN or Bailer. TIH w/ tubing to btm. Pull up 1 jt and circulate hole with fresh water.
- 5) RU Drake Cement Pump Truck. Mix 66 sx Type III Cement (90 cu ft), and cement to approx. 1750' KB and above perforations. POOH with tbg and lay down.
- 6) NDBOP. NUWH. Allow cement to harden.
- 7) Police location for trash, etc. RDMOSU.

Cementing Program:

<u>Interval</u>	<u>Size, Wt, Grade, Thread</u>	<u>Depth</u>	<u>Cement</u>
Production	4-1/2", 10.5#, J-55, ST&C	1000' KB	72 sx Type III (10% xcess capacity)
<u>Cement & Additives</u>	<u>Water Requirements</u>	<u>Weight/Yield</u>	
Type III	6.68 gals/sx	14.6 ppg / 1.37 cu.ft/sx	

**N00 Navajo #1
P&A Procedure**

Procedure, Part Two:

- 1) Hold Safety meeting. MIRU Drake Cementing Unit, rig pit, cementing WH spool and poly-pipe spool. Record bradenhead, casing and tubing pressures. Report any problem pressures. Blow down casing gently in case of thermal expansion pressure.
- 2) NDWH & NU spool for circulation to rig pit. RU poly spooling unit.
- 3) RIH with 2" poly-pipe to Cement top, ±1750' KB. Connect poly-pipe to cementing unit.
- 4) Establish circulation with fresh water and circulate hole with 127 sx (174 cu ft), Type III cement, displacing water/cement to sugar spiked rig pit. (10% excess capacity) *(Note: adjust cement volumes for depth of part one cement top)*
- 5) When cement is circulated to surface, shut down, Cleanout pump and piping to pit. RD Drake Cementing Unit.
- 6) Cut poly off at surface. Top off casing and after BLM approval, install P&A marker.
- 7) RDMO Drake Cementing.
- 8) MIRU Keystone and start surface remediation.

Cementing Program:

Interval	Size, Wt, Grade, Thread	Depth	Cement
Production	4-1/2", 10.5#, J-55, ST&C	1231' KB	115 sx Type III (10% xcess capacity)
Cement & Additives	Water Requirements	Weight/Yield	
Type III	6.68 gals/sx	14.6 ppg / 1.37 cu.ft/sx	

N00 Navajo #1
P&A 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

N00 Navajo #1
P&A Procedure

Vendor List

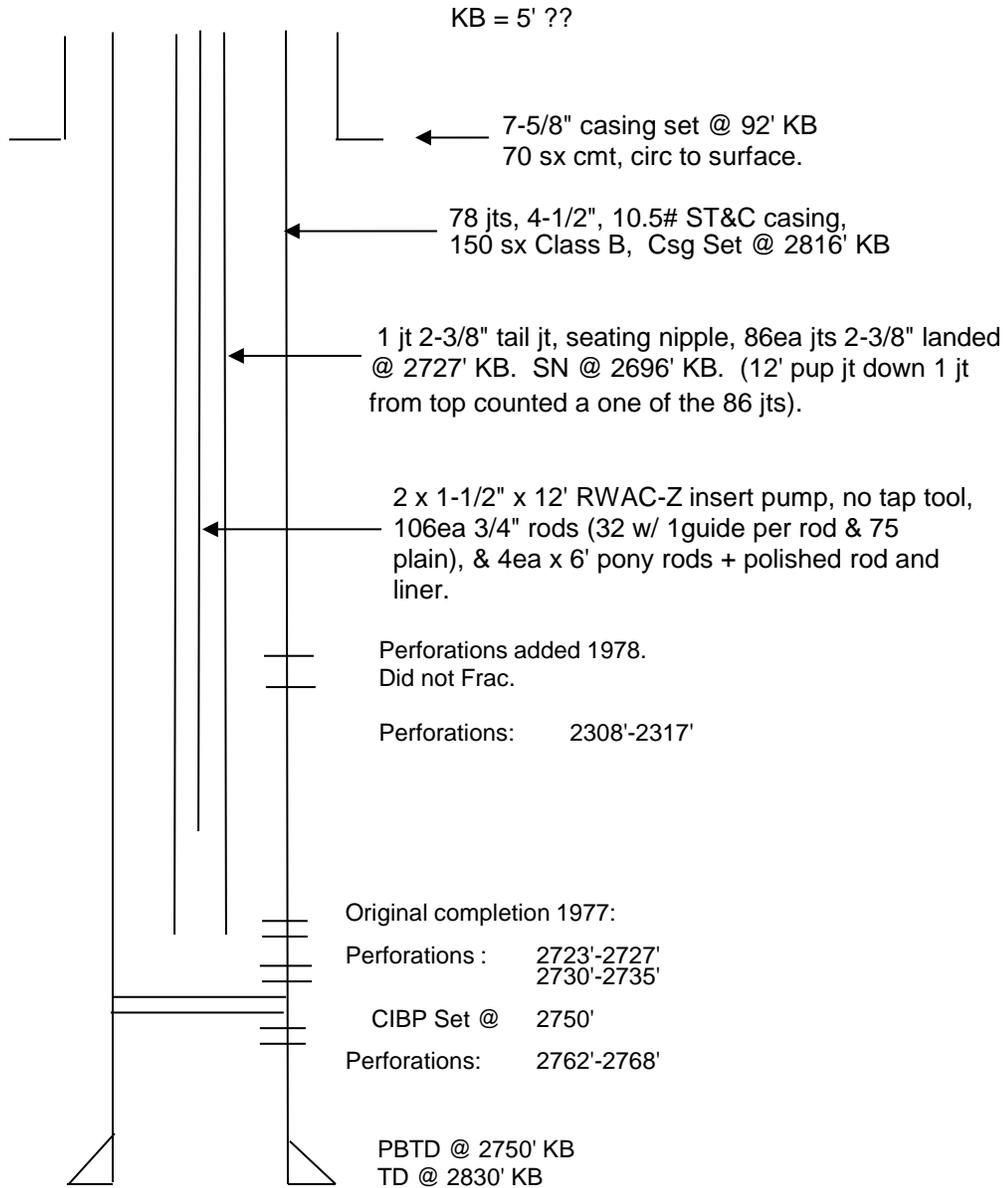
<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Dirt Contractor	Keystone Randy Schreffler	Off	505-334-8462
Pit Liner	Ore Systems Zane Galloway		
Anchors	Mote	Off Off	505-325-9711 505-325-1666
Rod Pumps etc.	Drake Pump Service Drake McCulloch	Cell	505-320-1180
PC Pump	Black Arrow 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

N00 Navajo #1
P&A Procedure

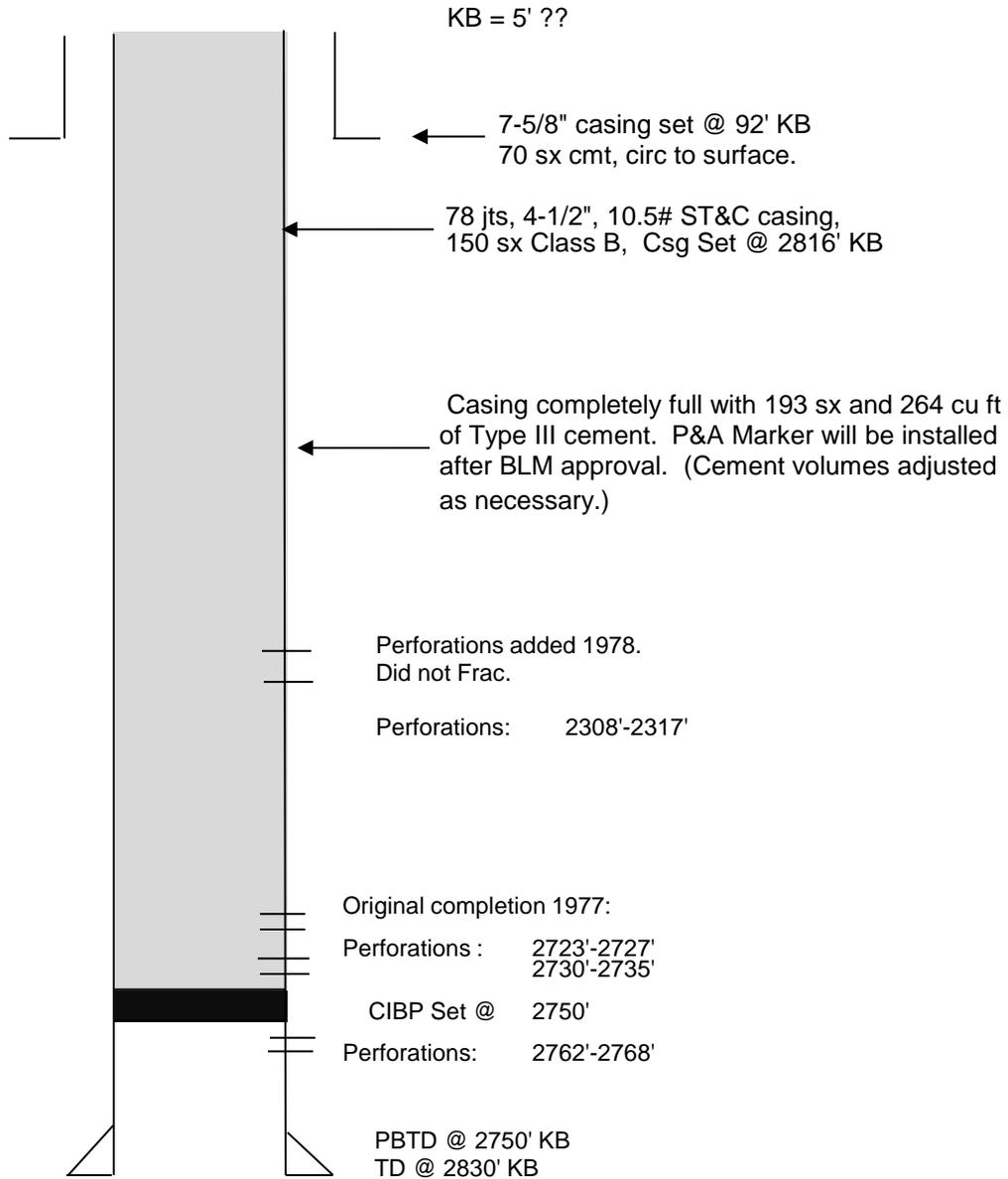
Vendor List Cont.

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Cementing	Drake Well Service Drake McCulloch	Cell	505-320-1180
Porta Johns	Cabannas Hal Stone	Off Cell	505-325-5835 505-330-7566
Drywatch	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
BOP 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
Rig	Drake Well Service Drake McCulloch	Cell	505-320-1180

SG Interests, Ltd. Noo Navajo #1 Wellbore Drawing a August 2022



SG Interests, Ltd.
Noo Navajo #1
Wellbore Drawing b
August 2022



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402**

AFMSS 2 Sundry ID 2686541

Attachment to notice of Intention to Abandon

Well: Noo Navajo 1

*Fill up wellbore with cement proposal. BLM Geology Report not applicable.

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 08/10/2022

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
- 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.3 Surface plugs may be no less than 50' in length.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
- 4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

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 132896

CONDITIONS

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 132896
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	8/12/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	8/12/2022