

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

SP 076337

6. If Indian, Allottee or Tribe Name

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG INTERESTS I, LTD c/o Sagle & Schwab Energy Resources

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)

1815' FNL, 2005' FWL

(SENW) Sec 8-T29N-R9W

8. Well Name and No.

SANTA ROSA 29-9-8 #3

9. API Well No.

30-045-31920

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan 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 type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling/Completion
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	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 recompleate 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 recompleation 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.)

Spudded well 8:00 pm 3/21/04. Drld 12-1/4" surface hole to 342'. Rn 7 jts 8-5/8"24# J-55 ST&C csg; set @ 330'. Cem w/210 sx Std cem w/1/4#/sk Flocele, 2% CaCl2. Circ 18 B/cem to surface. Continued drlg w/7-7/8" hole to TD 2324'. Rn logs (LTD 2326'). Rn 52 jts 5-1/2" 17# J-55 LT&C csg; set @ 2322'w/380 sx Lead 65/35/6 cem, 6% gel, 1/4#/sk Flocele, 5#/sk Gilsonite; tailed w/150 sx Std cem, 1/4#/sk Flocele. Circ 38 B/cem to surface.

MIRUSU RIH w/bit & scraper; tag up @ 2272'. Roll hole w/2% KCl wtr. RIH w/5-1/2" pkr & press tst csg (4500#), WH, & BOP (3000#), ok. RU wireline & rn GR/CCL/CBL from PBTD (2271' WLM) to 1650'. Correlate to open hole log. Perf coal zone 2141'-65'w/DP charge, 4 spf @ 120 deg phasing (all shots fired). Brkdn & acidize coal zone w/1500 gal 2% KCL wtr. (continued on Page 2)

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 26, 2004

THIS SPACE FOR FEDERAL OR STATE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

JUL 30 2004

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

FARMINGTON FIELD OFFICE
BY *JB*

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)

NMOCOD

SUNDRY NOTICE – continued

Dated 7/26/04

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SANTA ROSA 29-9-8 #3

API No. 30-045-31920

(SENW) Sec 8-T29N-R9W

San Juan County, NM

NU isolation tool on BOP & RU frac lines. Spearhead 1st stage frac job w/500 gal 10% formic acid & frac Lower Coal dn csg w/53,181 gal 70-60Q foamed 20# Delta 140 frac fluid w/Sandwedge. Placed 109,424# 20/40 Brady Sand in well w/max BH concentration of 5.5#/gal. Flush to top perf & SD. RIH w/gauge ring/junk basket on WL (tag @ 2175'; btm perf @ 2165'). Set RBP on WL @ 2130' & press test csg/RBP (4500#, ok). Perf Upper Fruitland Coal w/DP charge, 4 spf @ 120 deg phasing as follows: 2103'-06'; 2079'-85'; 2073'-76'; 2028'-38'; 2016'-19'; 2004'-07'; 1966'-73' (all shots fired). Brk dn coal zones w/4645 gal 2% KCl wtr & 200 frac balls. ND isolation tool & make wiper run w/junk basket on WL to 2107'. Spearhead 2nd stage frac w/500 gal 10% formic acid & frac Upper Fruitland Coal dn csg w/70,566 gal 70-60Q foamed 20# Delta 140 frac fluid w/Sandwedge. Placed 148,164# 20/40 Brady Sand in well w/max BH concentration of 5.2#/gal. Flush to top perf & SD. ND isolation tool & RD frac equipment. Flow back well. Clean out to PBTD (2271') w/N2 mist & N2 & circ. Rn 66 jts 2-3/8" tbg w/notched collar on bottom & seating nipple 1 jt up. Tbg landed @ 2201'; SN @ 2167'. Shut well in.

Effective August 1, 2004 Energen Resources Corp (2198 Bloomfield Highway, Farmington, NM 87401) will become Operator of this well. Energy will be responsible for the pipeline hookup.