

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

5. Lease Serial No.

SF 080245

6. If Indian, Allottee or Tribe Name

13

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

IM

8. Well Name and No.

FEDERAL 29-9-28 #3

9. API Well No.

30-045-32096

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan County, NM

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)

1780' FNL, 1950' FWL

(SENW) Sec 28-T29N-R9W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

Drilling/Completion

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 7/10/04. Drld 12-1/4" surface hole to 361'. Rn 8 jts 8-5/8"24# J-55 ST&C csg; set @ 350'. Cem w/210 sx Std cem w/1/4#/sk Flocele, 2% CaCl2. Circ 10 bbls of cem to surface. Continued drlg w/7-7/8" hole to TD 2290'. RU & rn logs. Rn 51 jts 5-1/2" 17# J-55 LT&C csg; set @ 2279' w/290 sx Lead 65/35/B Poz cem, 6% gel, 1/4#/sk Flocele, 5#/sk Gilsonite; tailed w/160 sx Std cem, 1/4#/sk Flocele. Lost circ 40 bbls into displacement (no cem to surface). Rig released at 18:30 hrs 7/15/04. WO Completion.

Effective August 1, 2004 Energen Resources Corp (2198 Bloomfield Highway, Farmington, NM 87401) will take over as Operator and will complete this well.

+ Please provide TOC on 5 1/2" casing as determined by CBL.

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 *AB*

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)

NMOCD