

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.

NMNM36590

6. If Indian, Allottee or Tribe Name

Navajo Nation

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

070 FARM

070 FARM

8. Well Name and No.

WEST BISTI 26-13-17#1

9. API Well No.

30-045-29160

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, New Mexico

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd, c/o Nika Energy Operating, LLC

3a. Address

PO Box 2677, Durango, CO 81301

3b. Phone No. (include area code)

(970) 259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

790' FNL, 1119' FEL (NENE) Sec 17-T26N-R13W

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

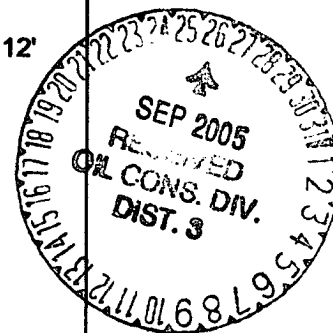
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical 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 recompletion 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.)

(See your letter dated July 29, 2005 and Sundry Notice dated Aug 12, 2005)

8/18/05 - MIRUSU Pulled rods, pump, & tbq. Found split in tbq. Replaced damaged jts.

8/19/05 - RIH w/48 jts 2-3/8" 4.7# J-55 tbq (dropped SV & PT 2000 psi), new 2"x1-1/4"x 6'x 9'x 12' pump, 61 - 3/4" rods & 1 ea 2' & 10' - 3/4" ponies. Landed tbq @ 1551' & SN @ 1535'.

8/22/05 - Well on production. Initial production: 9 MCFPD, 20 BWPD.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Marcia Stewart

Title

Agent for SG Interests I Ltd

Signature

Date

September 6, 2005

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant Office 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.

ACCEPTED FOR FILE ORD

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)

BY DATE

NMOCD