

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101

May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address SG Interests I, Ltd c/o Nika Energy Operating, LLC PO Box 2677 Durango, CO 81302		<sup>2</sup> OGRID Number 20572
<sup>3</sup> Property Code 35192	<sup>4</sup> Property Name State 21-6-36	<sup>5</sup> API Number 30 - 043 - 20998
<sup>9</sup> Proposed Pool 1 Basin Fruitland Coal		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	21N	6W		1310	South	1310	East	Sandoval

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

## Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 6927'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 815'	<sup>18</sup> Formation Basin Fruitland Coal	<sup>19</sup> Contractor	<sup>20</sup> Spud Date as soon as permitted
Depth to Groundwater >1,000ft.		Distance from nearest fresh water well >1,000ft.		Distance from nearest surface water 200 ft to 1,000 ft.
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 1000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
Surface 12¼"	7"		150'		Surface
Production 6¼"	4½"		815'		Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.



<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Tripp Schwab

Title: agent for SG Interests I, Ltd

E-mail Address: tripp@nikaenergy.com

Date: 18 October 2005

Phone: (970)259-2701

## OIL CONSERVATION DIVISION


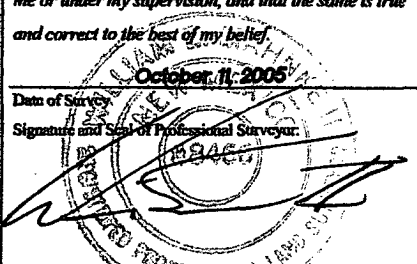
Approved by:

Title: DEPUTY OIL &amp; GAS INSPECTOR, DIST. 3

Approval Date: OCT 21 2005

Expiration Date: OCT 21 2006

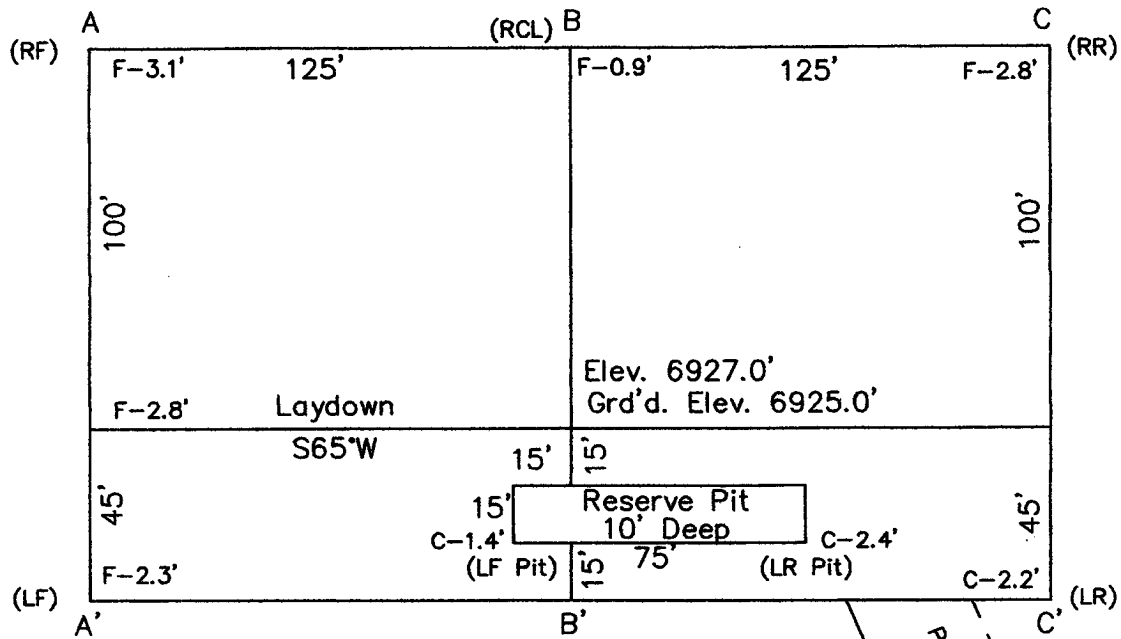
Conditions of Approval Attached ☐

STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION		17 OPERATOR CERTIFICATION	
16	N89°51'W	79.65 ch	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature
			Printed Name <u>William Schumbert</u> Title and E-mail Address <u>tripp@nikaenergy.com</u> <u>AGENT FOR SG Interests</u>
			Date <u>12/2/05</u>
36			18 SURVEYOR CERTIFICATION
			I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. <u>October 11, 2005</u> Date of Survey
			Signature and Seal of Professional Surveyor 
N89°24'W	39.89 ch	N89°30'W	39.89 ch
		1310'	1310'
			Certificate Number <u>8466</u>

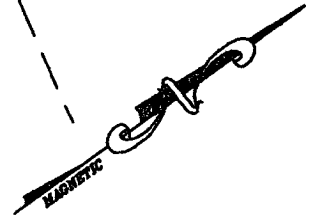
# SG INTERESTS I, LTD.

STATE 21-6-36 #4

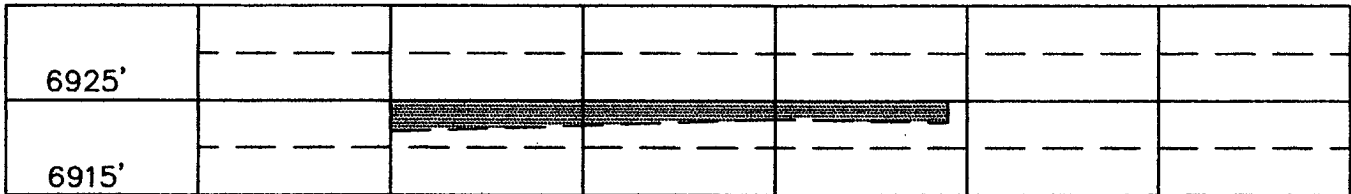
1310' FSL, 1310' FEL SECTION 36, T21N, R6W, NMPM  
SANDOVAL COUNTY, N.M.



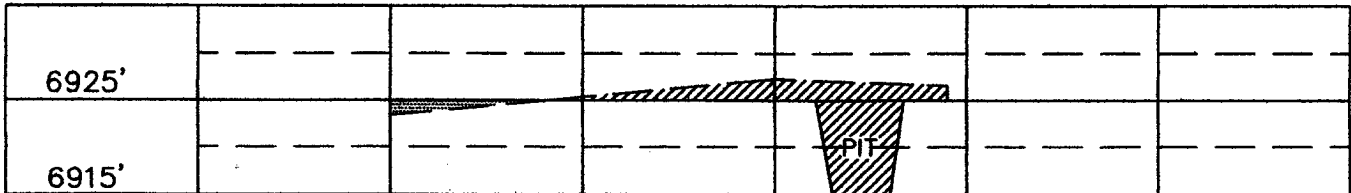
Scale: 1"=50'



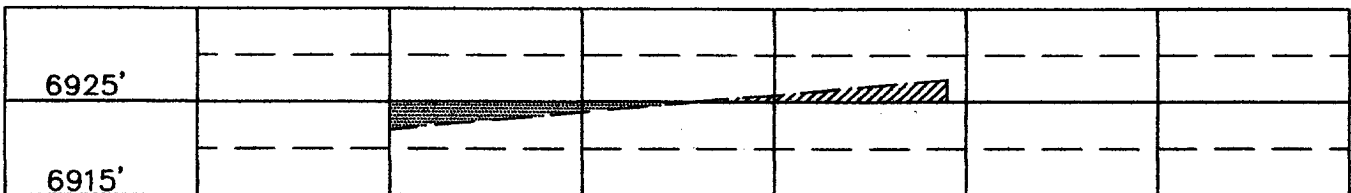
A-A' Vert.: 1"=20' Horiz.: 1"=50' C/L



B-B'



C-C'



NIKA ENERGY OPERATING, LLC  
SG INTERESTS I, INC.  
FRUITLAND DRILLING PROGRAM

New Well Permit Information

DATE: October 2005

WELL NAME: State 21-6-36 #4  
FIELD NAME: Basin Fruitland Coal  
LOCATION: SE Section 36-T21N-R6W  
Sandoval County, New Mexico  
UNIT Standup

DRILLING SKELETON:

<u>Interval</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>Depth</u>
Surface	12-1/4"	7"	150'
Production	6-1/4"	4-1/2"	815'

<u>Formation</u>	<u>Depth</u>
Ojo Alamo	105'
Kirtland	265'
Fruitland	440'
Coal Top	640'
PC	665'
Total Depth	815'

DATE: October 2005  
WELL NAME: State 21-6-36 #4

**CASING AND CEMENTING PROGRAM:**

<u>Interval</u>	<u>Size, Wt, Grade, Thread</u>	<u>Depth</u>	<u>Cement</u>
Surface	7", 20#, J-55, ST&C	150'	140 sx (165 cu. ft) Class B w/2% CaCl 1/4#/sx celloflake
Production	4-1/2", 10.5#, J-55, ST&C	815'	100 sx (118 cu. ft) Class B. 1/4#/sx celloflake

*circulate  
cement*

**Cement Slurry Designs and Notes**

<u>Slurry</u>	<u>Water Requirements</u>	<u>Weight</u>	<u>Yield</u>
Surface	5.2 gals/sx	15.6 ppg	1.18 cu. ft/sk
Production	5.2 gals/sx	15.6 ppg	1.18 cu. ft/sk

## 2-M SYSTEM

