

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: October 31, 2014

WELL COMPLETION OR RECOMPLETION REPORT AND LOGGING **Farmington Field Office**
Bureau of Land Management **NO-G-1001-1767 & NO-G-1001-1768**

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resvr.,
 Other: _____

2. Name of Operator
SG Interests I, Ltd c/o Nika Energy Operating

3. Address P. O. Box 2677 Durango, CO 81302 3a. Phone No. (include area code) (970) 259-2701

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 Unit I (NESE) 1605' FSL & 960' FEL
 At surface Same
 At top prod. interval reported below
 At total depth

5. Lease Serial No. NO-G-1001-1767 & NO-G-1001-1768

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. NMNM-133815

8. Lease Name and Well No. Navajo 21-7-25 #4

9. API Well No. 30-043-21239

10. Field and Pool or Exploratory Basin Fruitland Coal

11. Sec., T., R., M., on Block and Survey or Area Section 25, T21N-R7W

12. County or Parish Sandoval County 13. State NM

14. Date Spudded 01/17/2015 15. Date T.D. Reached 01/20/2015 16. Date Completed 05/19/2015 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)* 6756'

18. Total Depth: MD TVD 846' 19. Plug Back T.D.: MD TVD 766' 20. Depth Bridge Plug Set: MD TVD 686.23'

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
GR Density 842' to surface; GR/CCL/CBL PBTB 766' to surface

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	Surface	219' KB		112 sx Type 3	7 bbls	Surface	
7-7/8"	4-1/2"	11.6#	Surface	40.05' KB 840.05		156 sx Type 3	12 bbls	Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	695.21'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Basin Fruitland Coal	673'	691'	674' - 691' KB	3-1/8"	68	
B)						
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
674' - 691' KB	500 gallons of 15% HCL Acid, 27,439 gallons of Delta Frac 140 20# 459 gallons of Water Frac G 20# 68,140 pounds of 20/40

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→					Shut in/WO Pipeline	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

OIL CONS. DIV DIST. 3
JUN 25 2015

ACCEPTED FOR RECORD

FARMINGTON FIELD OFFICE
BY: William Tambekou

NMOCDV

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

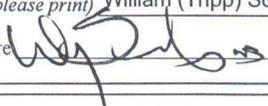
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Ojo Alamo	23'				
Kirtland Shale	226'				
Upper Bentonite	497'				
Basin Fruitland Coal	673'	691'			
Pictured Cliffs	694'				
Lewis	863'				

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) William (Tripp) Schwab, III Title Agent for SG Interests I, Ltd.
 Signature  Date 06/06/2015

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.