

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 <b>District II</b> 1301 W. Grand Avenue, Artesia, NM 88210 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 <b>District IV</b> 1220 S. St. Francis Dr., Santa Fe, NM 87505	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>	<b>Form C-105</b> Revised June 10, 2003  <b>WELL API NO.</b> 30-031-21072 <b>5. Indicate Type of Lease</b> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No.
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**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

<b>1a. Type of Well:</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____  <b>b. Type of Completion:</b> NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____	<b>7. Lease Name or Unit Agreement Name</b>  STATE 20-6-2  <b>8. Well No.</b> 3												
<b>2. Name of Operator</b> SG INTERESTS I, LTD c/o NIKA ENERGY OPERATING, LLC	<b>9. Pool name or Wildcat</b> Fruitland Coal												
<b>3. Address of Operator</b> PO Box 2677, Durango, CO 81302 (970) 259-2701													
<b>4. Well Location</b> Unit Letter <u>M</u> : <u>660</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u> Line  Section <u>2</u> Township <u>20N</u> Range <u>6W</u> NMPM <u>McKinley</u> County													
<b>10. Date Spudded</b> 10/25/05	<b>11. Date T.D. Reached</b> 10/26/05	<b>12. Date Compl. (Ready to Prod.)</b> 11/29/05	<b>13. Elevations (DF&amp; RKB, RT, GR, etc.)</b> 6,926 GR	<b>14. Elev. Casinghead</b> ---									
<b>15. Total Depth</b> 950'	<b>16. Plug Back T.D.</b> 893'	<b>17. If Multiple Compl. How Many Zones?</b> 1	<b>18. Intervals Drilled By</b> Rotary Tools 0'-950'	<b>Cable Tools</b> ---									
<b>19. Producing Interval(s), of this completion - Top, Bottom, Name</b> Fruitland Coal 750'-784'			<b>20. Was Directional Survey Made</b> Yes										
<b>21. Type Electric and Other Logs Run</b> SDL/DSN/HRI Logs GR/CBL/CCL PBTB (893') to surf			<b>22. Was Well Cored</b> No										
<b>23. CASING RECORD (Report all strings set in well)</b>													
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED								
7"	20#	178.44'	12-1/4"	175 sx Circ 15 Bbls to surf									
4-1/2"	10.5#	935 KB	6-1/4"	165 sx Circ 15 Bbls to surf									
<b>24. LINER RECORD</b>			<b>25. TUBING RECORD</b>										
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET						
					2-3/8"	807'							
<b>26. Perforation record (interval, size, and number)</b> 750'-53' 4 spf, 120 deg phasing 758'-62' .380 size 782'-784' Total 36 holes			<b>27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>750'-784'</td> <td>500 gal 15% dbi inhibited FE acid;</td> </tr> <tr> <td> </td> <td>500 gal acid; 21,822 gal Silverst</td> </tr> <tr> <td> </td> <td>30,000# 20/40 Brady Sand</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	750'-784'	500 gal 15% dbi inhibited FE acid;		500 gal acid; 21,822 gal Silverst		30,000# 20/40 Brady Sand
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	500 gal acid; 21,822 gal Silverst												
	30,000# 20/40 Brady Sand												
<b>28. PRODUCTION</b>													
<b>Date First Production</b>		<b>Production Method (Flowing, gas lift, pumping - Size and type pump)</b> Pumping 2"x1-1/4"x6"x7"x10" RHACZ Insert		<b>Well Status (Prod. or Shut-in)</b> Shut in/WO Pipeline									
<b>Date of Test</b>	<b>Hours Tested</b>	<b>Choke Size</b>	<b>Prod'n For Test Period</b>	<b>Oil - Bbl</b>	<b>Gas - MCF</b>								
<b>Flow Tubing Press.</b>	<b>Casing Pressure</b>	<b>Calculated 24-Hour Rate</b>	<b>Oil - Bbl.</b>	<b>Gas - MCF</b>	<b>Water - Bbl.</b>								
<b>29. Disposition of Gas (Sold, used for fuel, vented, etc.)</b> Will be sold as soon as on line		<b>Test Witnessed By</b>											
<b>30. List Attachments</b> All electric logs were sent to NMOCD, Aztec, NM													
<b>31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <b>Signature</b>  </div> <div style="width: 30%;"> <b>Printed Name</b>          Marcia Stewart       </div> <div style="width: 30%;"> <b>Title</b>          Engineering Asst/Agent       </div> <div style="width: 10%;"> <b>Date</b>          1/27/06       </div> </div>													
<b>E-mail Address</b> marcia@nikaenergy.com													

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo 247'	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland 670'	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 788'	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....  
 No. 2, from.....to.....  
 No. 3, from.....to.....  
 No. 4, from.....to.....

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
			No Cores or DST's were run				