

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-043-20999
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2284
7. Lease Name or Unit Agreement Name State 21-6-36
8. Well Number 3
9. OGRID Number 020572
10. Pool name or Wildcat Fruitland Coal
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6886' GL

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

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

3. Address of Operator
P. O. Box 2677, Durango, CO 81302

4. Well Location
Unit Letter M 662 feet from the South line and 724 feet from the West line
 Section 36 Township 21N Range 6W NMPM Sandoval County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MIRU on 2/8/2016. Bradenhead press 0 psi. CP 10 psig. TIH w/1 jt 2-3/8" tbg to tag fill to 875' KB, show no fill. TIH w/bit, 4-1/2" CIBP, K-1 setting tool, perf sub nipple, 22 jts 2-3/8" tbg, set CIBP @719.45' KB. Circ hole w/fresh water. Tested csg to 500#, to 480# in 30 min, held. Thomas w/OCD witnessed test. Pumped 10.6 bbls Class G cement to surface. TOOH w/21 jts 2-3/8" tbg, perf sub nipple, setting tool. Pumped 2.0 Class G cement for displacement of tbg. Top off csg w/cement to surface. Rig released @ 8:00 am on 2/10/2016. Mixed 4 bags quick-crete cement, Cmt @ surface on 2/10/2016. Thomas w/OCD witnessed entire cementing procedure. Installed P&A marker. Will finish remediating location at a later date.

Approved for plugging of wellbore only.
 Liability under bond is retained pending
 Receipt of C-103 (Subsequent Report of Well
 Plugging) which may be found @ OCD web
 page under forms
 www.emnrd.state.us/ocd

OIL CONS. DIV DIST. 3

FEB 18 2016

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Agent for SG Interests I, Ltd. DATE 1/28/2016

Type or print name William Schwab, III E-mail address: tripp@nikaenergy.com PHONE: (970) 259-2701

For State Use Only

DEPUTY OIL & GAS INSPECTOR

APPROVED BY: [Signature] TITLE DISTRICT #3 DATE 2/24/16

Conditions of Approval (if any):

AV