

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*  
(See other in-  
structions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.  
**NMNM24964**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

**FEDERAL 20-6-10 #1**

9. API WELL NO.

**30-031-21071**

10. FIELD AND POOL OR WILDCAT

**Fruitland Coal**

11. SEC., T., R., M., OR BLOCK AND SURVEY  
OR AREA

**(SWNE) Sec 10-T20N-R6W**

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WORK

OIL  
WELL ☐

GAS  
WELL ☒

DRY ☐

1b. TYPE OF WELL

NEW  
WELL ☒

WORK  
OVER ☐

DEEPEN ☐

PLUG  
BACK ☐

DIFF  
RESVR. ☐

Other

2. NAME OF OPERATOR

**SG INTERESTS I LTD, c/o Nika Energy Operating, LLC**

3. ADDRESS AND TELEPHONE NO.

**PO Box 2677, Durango, CO 81302 (970) 259-2701**

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)\*

At Surface

**1905' FNL, 1960' FEL (SWNE) G-Sec 10-T20N-R6W**

At top prod. Interval reported below

At total depth

**Same**

14. PERMIT NO.

DATE ISSUED

**7/22/05**

12. COUNTY OR PARISH

**McKinley**

13. STATE

**NM**

15. DATE SPUDDED

**11/2/05**

16. DATE T.D. REACHED

**11/3/05**

17. DATE COMPL. (Ready to prod.)

**12/5/05**

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

**6885' GR**

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

MD **910'**

TVD

21. PLUG, BACK T.D., MD & TVD

MD **851'**

TVD

22. IF MULTIPLE COMPL.,

HOW MANY\*

**1**

23. INTERVALS

DRILLED BY

**----->**

ROTARY TOOLS

**0'-910'**

CABLE TOOLS

**--**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)\*

**Fruitland Coal 730'-738'**

26. TYPE ELECTRIC AND OTHER LOGS RUN

**SDL/DSN/HRI; CBL/CCL/DCL PBTD (851') to Surface**

25. WAS DIRECTIONAL

SURVEY MADE

**Yes**

27. WAS WELL CORED

**No**

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7" J-55	20#	182' KB	12-1/4"	170 sx; 14 B/cem circ to surface	
4-1/2" J-55	10.5#	888' KB	6-1/4"	150 sx; 2 B/cem circ to surface	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	818'; SN @ 784'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL

New Perfs:

**730'-738' 4 spf, 3-1/8" gun**

SIZE

NUMBER

**32 holes**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
730'-738'	349 gal 15% Dbl inhibited Fe acid;
	1000 gal acid, 16,000 gal Silverstim Fluid
	30,000# Brady Sand

33.\* PRODUCTION

20# Delta 140 frac fluid w/sandwedge; 122,255# 20/40 Brady Sand.

DATE FIRST PRODUCTION

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)

**Pumping 2" x 1-1/4" x 6' x 7' x 10' RHACZ insert pump**

WELL STATUS (Producing or shut-in)

**Shut in/WO hookup**

DATE OF TEST

HOURS TESTED

**24**

CHOKE SIZE

PROD'N. FOR

TEST PERIOD

OIL--BBL.

GAS--MCF.

WATER--BBL.

GAS-OIL RATIO

**n/a**

FLOW. TUBING PRESS.

CASING PRESSURE

CALCULATED  
24-HOUR RATE

OIL--BBL.

GAS--MCF.

WATER--BBL.

OIL GRAVITY-API (CORR.)

**n/a**

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

**Will be sold as soon as hooked up**

TEST WITNESSED BY

**Jeff Welch, Agent**

35. LIST OF ATTACHMENTS

**All electric logs were sent directly to NMOCD, Aztec, NM**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

**Marcin Stewart**

TITLE **Agent for SG Interests I Ltd**

DATE

**1/9/2006**

BY **302**

\*(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCD

37. SUMMARY OF POROUS ZONES: (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);				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Fruitland Coal	730'	738'	No cores were taken; no DST's were run.			