

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

30-045-31442

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

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 Sagle & Schwab Energy Resources

3. Address of Operator

PO Box 2677, Durango, CO 81302

(970) 259-2701

4. Well Location

Unit Letter C : 710' Feet From The North Line and 930' Feet From The West Line

Section 30 Township 29N Range 9W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

5705' GR

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

11. NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☒

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Drilling and Completion Update ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

MIRU. Spud well 8:00 pm 5/2/03. Drld 12-1/4" surface hole to 340'. Rn 8-5/8" sawtooth shoe, insert float, & 7 jts 8-5/8" 24# J-55 ST&C csg; set @ 329'. Cem w/210 sx Type III cem (44 bbls), 1/4#/sk Celloflake, 2% CaCl2; displace w/18.5 BW; circ 10 B/cem to surface. WOC (notified Charlie Perrin, NMOC). Test BOPE rams, manifold, valves, csg to 2000 psi, ok. Continue drlg w/7-7/8" hole to TD 2095'. Circ & cond hole for logging. LTD 2095'. Rn 5-1/2" cem guide shoe, float collar, & total 47 jts 5-1/2" 17# J-55 LT&C csg; set @ 2095'; float collar set @ 2049'. Cem w/250 sx Poz 65/35, 1/4#/sk Flocele, 6% gel, .5# Gilsonite; tailed w/190 sx Class 'B', .4% Halad 344, 1/4#/sk Flocele. Displ w/47.5 BW; circ 10 B/cem to surf. (notified Charlie Perrin, NMOC of cem operation). WOC Rig released 9:00 pm 5/5/03. SI Bradenhead 0 psi. RIH w/CBL, log PBTB (1996) to 100'. MISU. Ck Bradenhead press (0#). RIH w/4-3/4" bit & 5-1/2" csg scraper on 2-3/8" tbg; tag up @ 2011'. Rev circ & drill cem to float @ 2048'. Press test csg, WH, & BOP to 3000#, ok; test 5-1/2" cst to 4500#, ok. Roll hole w/2% KCl wtr & spot 175 gal 15% DI HCL acid @ 1956'. RU wireline unit (correlate CBL to open hole log). Perf coal zones w/DP charge, 4 SPF @ 120 deg phasing top down as follows: 1813'-28'; 1843'-56'; 1918'-32"; 1944'-47'; 1953'-56' (all shots fired). RIH w/5-1/2" SPIT tool Brkdn & acidize coal zones w/1500 gal 15% DI HCL acid in 4 settings, TOOH w/tools & flush csg w/40 BW. Spearhead frac job w/1000 gal 10% formic acid & frac down csg w/103,065 gal 70-60Q 20# Delta 140 foam frac fluid w/Sandwedge. Placed 189,065# 20/40 Brady sand in well w/max BH concentration of 5.5#/gal. Flow well to LD tank Clean out to PBTB (2045') w/N2 & circ. Rn total of 58 jts 2-3/8" tbg w/notched collar on bottom and seating nipple 1 jt up. Tbg landed @ 1892'; SN @ 1859'. Shut well in; WO pipeline.

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

SIGNATURE Marcia Stewart

TITLE Agent for SG Interests

DATE 07/07/03

TYPE OR PRINT NAME Marcia Stewart

TELEPHONE NO. (970) 259-2701

(This space for State Use)

APPROVED BY Chad H

DEPUTY OIL & GAS INSPECTOR, DIST. CD

TITLE

DATE

JUL - 8 2003

CONDITIONS OF APPROVAL, IF ANY: