

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

DEC 13 2016

Farmington Field Office
Bureau of Land Management

5. Lease Serial No.
NMNM127452

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
FEDERAL 21-8-13 #4

9. API Well No.
30-045-34360

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan County, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
SG INTERESTS I LTD, c/o Nika Energy Operating, LLC

3a. Address
PO BOX 2677, DURANGO, CO 81302

3b. Phone No. (include area code)
(970) 259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit J: (NWSE) Sec13-T21N-R8W
1996' FSL, 1982' FEL

OIL CONS. DIV DIST. 3

FEB 15 2017

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other
	<u>Continue Shut-In Status</u>

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SG Interests requests determination that the subject well is a commercial shut-in gas well holding lease NMNM 127452.

The closest pipeline tie in is located approximately four miles away. Past and current gas prices and economic conditions make construction of gas and water pipelines uneconomical.

SG Interests I, Ltd. believes the future of natural gas prices will allow a small CBM field to be developed and construction of pipelines to be economical.

OIL CONS. DIV DIST. 3
FEB 15 2017

SI approved until 2/8/2018

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
William (Tripp) Schwab, III

Title
Agent for SG Interests I Ltd

Signature
[Signature]

Date
December 8, 2016

THIS SPACE FOR FEDERAL OR STATE USE

Approved by
William Tambokon

Title
Petroleum Engineer

Date
2/8/2017

Office
FFD

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes 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.

(Instructions on reverse)

Accepted For Record

NMOCD AV

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