

Form 3160-3
(November 1994)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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

1. Lease Serial No.

NM 24984

6. If Indian, Allottee or Tribe Name

M 11: 10

7. If Unit or C/A Agreement, Name and/or No.

on. NM

8. Well Name and No.

Pot Mesa #4

9. API Well No.

30-031-20890

10. Field and Pool, or Exploratory Area

Pot Mesa/Corrales Field

11. County or Parish, State

McKinley, NM

1.

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

SG Interests I, Ltd. c/o Sagie & Schwab Energy Resources

3a. Address

PO Box 2677, Durango, CO 81302-2677

3b. Phone No. (include area code)

(970) 259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

465' FNL & 1780' FNL

NENW Sec 10-T20N-R6W

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☒ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☒ Fracture Treat☐ New Construction☐ Plug and Abandon☒ Plug Back☐ Production (Start/Resume)☐ Reclamation☒ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent sections and zones. Attach the Road under which the work will be performed or provide the Road No. on file with ELM/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.)

(Pulled rods, pump and tbg. TIH with 4-3/4" bit & scraper to 2149'. TOOH. Set CIBP at 2122'. Circulate hole with 53 bbl fresh water. Test casing to 500 psi - 15 min - OK. Spot 15 sx Type III cement with 2% CaCl. LD tbg to 1969', displace hole with 50 bbls gel mixed 15#/bbl, LD tbg to 1469'. Spot 18 sx Type III cement with 2% CaCl. LD tbg to 918', spot 18 sx Type III cement with 2% CaCl. LD tbg to 790', reversed csg with 25 bbls 2% KCl. TOOH. TIH, tag PBTD at 790'. Test csg to 500 psi - OK. TOOH. Ran GR/CCL. Log 790' - 350'. Perforate with 3-1/8" csg gun 650' - 658', 4 spf, 120 degree phasing, 32 holes. TIH with pkr and tbg, set pkr at 533', pump 500 gals 15% HCl + additives and flush with 6 bbls water. Well swabbed dry, recover 7.5 bbl, total load 23 bbls. Frac 222 bbl Delta 140 frac fluid and 12,000 # 20/40 sand. Max 15.1 BPM and 809 psi. Flowback well on 1/2" choke, died in 5 min. Ran tbg, pump and rods, hung well on and start pumping. Test at 2-3 BWPD and 130 MCFD. Shut well in. (TEST - 2/14/04)

2/9/04

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

Name (Printed/Typed)

Lynn Garner

Title

Operations Manager/Agent for SG Interests I, Ltd.

Signature

Date

March 3, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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 enable the applicant to conduct operations thereon.

Office

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 statements or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

REMOVED copies retention
for your disposition

MAR 08 2004

NMOC

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