

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

NMNM99732

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

FEDERAL 21-6-30 #3

9. API WELL NO.

30-043-21001

10. FIELD AND POOL OR WILDCAT

Basin Fruitland Coal

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

Sec 30-T21N-R6W

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

1a. TYPE OF WORK

OIL  
WELL ☐

GAS  
WELL ☒

DRY ☐

Other ☐

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

660' FSL, 660' FWL (SWSW) M-Sec 30-T21N-R6W

At top prod. Interval reported below

14. PERMIT NO.

DATE ISSUED

3/17/06 120792322

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPUDDED

4/25/06

16. DATE T.D. REACHED

5/2/06

17. DATE COMPL. (Ready to prod.)

6/8/06

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

6789' GR

19. ELEV. CASINGHEAD

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20. TOTAL DEPTH, MD & TVD

MD 910'

TVD

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

MD

880'

TVD

22. IF MULTIPLE COMPL., HOW MANY\*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0-910'

CABLE TOOLS

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

1st Prod Memo

Fruitland Coal 698'-716' & 774'-777'

26. TYPE ELECTRIC AND OTHER LOGS RUN

SDL/DSN/HRI; CBL/CCL/DCL 880' to Surface

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
8-5/8" J-55	24#	176' KB	12-1/4"	TOC 140', 140 sx	Circ 10 Bbls to surf
4-1/2" J-55	10.5#	885'	7-7/8"	250 sx ; circ 15 Bbls to surf	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	807'; SN @ 772'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
New Perfs:		
698'-716' (18')	4 spf	3-1/8" csg gun
774'-777' (3')	4 spf	
		Total 84 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
698'-716'	428 gal 15% FE acid+2% KCl wtr
774'-777'	72 gal 15% FE acid+2% KCl wtr
698'-716'; 774'-777'	500 gal acid; 34,262 gal Silverstim T Frac Fluid;
	874 sx 20/40 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)

WELL STATUS (Producing or shut-in)

Shut in/WO hookup

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL-BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

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

Will be sold as soon as connected to pipeline

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

All electric logs were sent directly to the New Mexico Oil Conservation Division

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

SIGNED Marissa Stewart TITLE Agent for SG Interests I Ltd

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

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.

NMOCD

FARMINGTON FIELD OFFICE

ACCEPTED FOR RECORD  
DATE 6/27/2006

JUL 06 2006

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	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	125'		No cores were taken; no DST's were run.			
Kirtland Shale	388'					
PC Sandstone	719'					
Huerfano Bentonite	891'					