

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

28 AM 11 37

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL
WELL ☐

GAS
WELL ☒

070 DRY ☐ FARMINGTON, NM

1b. TYPE OF WELL

NEW
WELL ☒

WORK
OVER ☐

DEEPEN ☐

PLUG
BACK ☐

DIFF
RESVR. ☐

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

1942' FSL, 2300' FWI (NESW) K-Sec 29-T21N-R6W

At top prod. Interval reported below

At total depth

Same

14. PERMIT NO.

DATE ISSUED
4/28/06

12. COUNTY OR PARISH
Sandoval

13. STATE
NM

15. DATE SPUDDED
5/19/06

16. DATE T.D. REACHED
5/23/06

17. DATE COMPL. (Ready to prod.)
7/7/06

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*
6827' GR

19. ELEV. CASINGHEAD
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20. TOTAL DEPTH, MD & TVD

MD 960'

TVD

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

MD 913'

TVD

22. IF MULTIPLE COMPL.,
HOW MANY*

1

23. INTERVALS
DRILLED BY

ROTARY TOOLS

0-960'

CABLE TOOLS

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

Fruitland Coal 760'-778'

26. TYPE ELECTRIC AND OTHER LOGS RUN

SDL/DSN/HRI; CBL/CCL/DCL 913' 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
8-5/8" J-55	24#	176' KB	12-1/4"	150 sx; Circ 15 Bbls to surf	PT 1500 #
4-1/2" J-55	10.5#	955 KB	7-7/8"	265 sx; circ 10 Bbls to surf	PT 3000 #

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	830'; SN @ 795'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL SIZE NUMBER
New Perfs:
760'-778' 4 spf, 120 deg phasing, 3-1/8" csg gun

Total 76 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
760'-778'	500 gal 15% HCl/DI/FE acid; 500 gal acid prior to pad;
	33,542 gal SSLT Frac Fluid; 73,000# 20/40 Brady
	Sand w/max BH concentration of 5.1#/gal

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 Pipeline

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD'N. FOR
TEST PERIOD

OIL--BBLs.

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

Marcia Stewart

TITLE

Agent for SG Interests I Ltd

DATE

7/14/2006

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

NMOCD

FARMINGTON OFFICE

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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	183'		No cores were taken; no DST's were run.			
Kirtland Shale	371'					
PC Sandstone	786'					
Huerfanito Bentonite	NDE					