

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NMNM99733

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

Unit A: 1289' FNL, 1291' FEL (NENE) Sec 34-T21N-R6W

At top prod. Interval reported below

At total depth

Same

14. PERMIT NO.

DATE ISSUED

6/8/06

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPUDDED

6/19/06

16. DATE T.D. REACHED

6/22/06

17. DATE COMPL. (Ready to prod.)

8/4/06

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

6808' GR

19. ELEV. CASINGHEAD

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20. TOTAL DEPTH, MD & TVD

MD 930'

TVD

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

MD 883'

TVD

22. IF MULTIPLE COMPL., HOW MANY*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0-930'

CABLE TOOLS

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

Fruitland Coal 722'-737'

25. WAS DIRECTIONAL SURVEY MADE

Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/Density/Neutron; CBL/CCL/DCL PBTD (883') 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#	179' KB	12-1/4"	130 sx; circ 9 B/cem to surf	
4-1/2" J-55	10.5#	922' KB	7-7/8"	200 sx; circ 10 B/cem to surf	

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"	786'; SN @ 753'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL

New Perfs:

722'-737' (15')

4 spf

SIZE

NUMBER

3-1/8" csg gun

Total 60 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
722'-737'	1000 gal acid; Pumped 27,812 gal Aqua-Safe X20 fluid; 430 sx 20/40 Brady Sand w/200 sx SLC Sd.

33.* PRODUCTION

DATE FIRST PRODUCTION

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)

WELL STATUS (Producing or shut-in)

Shut in/NO Pipeline

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

ACCEPTED FOR RECORD

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

8/15/2006

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

Federal 21-6-34 #1 38. GEOLOGIC MARKERS						
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);						
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
Ojo Alamo	160'		No cores were taken; no DST's were run.			
Kirtland Shale	360'					
PC Sandstone	749'					
Huerfanito Bentonite	NDE					