

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.

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

5. Lease Serial No.

NMNMI13429

6. If Indian, Allottee or Tribe Name

RCVD JAN 16 '08

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

OIL CONS. DIV.

DIST. 3

8. Well Name and No.

FEDERAL 21-6-28 SWD #33

9. API Well No.

30-043-21054

10. Field and Pool, or Exploratory Area

Entrada/Morrison

Sandoval County, NM

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

JAN 15 2008

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 M: SEC 28-T21N-R6W
660' FSL, 660' FWL (SWSW)

SWD-1104

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 Casing

Update

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 recompletable 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.)

Well was spudded at 2:00 pm Dec 19, 2007. Drld 12-1/4" surface hole to 1150'. Rn 27 jts 9-5/8" 36#, J-55 csg; csg shoe set @ 1146'; float collar @ 1104'. Cem w/650 sx (767 cu ft - 137 bbls) Class "A" cem w/1% Cacl, 1/4#/sk Superflake. Displace w/86 B/wtr & bump plug w/500# over circ press. Had full returns & circ 55 B/cem to surface. ✓ BLM Rep L. Jaramillo on location for entire cement job. PD @ 2210 hrs 12/21/07. WOC. SD for Christmas. Continue drilling w/8-3/4" hole to LTD 6609' KB (mudded up @ 3528'). Rn open hole logs from TD (6609' KB) to surface casing (shoe @ 1146'). Rn 156 jts new 7", 23#, N80 csg; csg shoe set @ 6607'; float collar @ 6560'; marker joint @ 6010'; stage tool @ 4988'. Currently cementing 7" csg w/2-stage process. ✓

Report Date TD

Report top of cement, surface casing pressure test results

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

Name (Printed/Typed)

Marcia Stewart

Signature

Marcia Stewart

Title

Agent for SG Interests I Ltd

Date

January 14, 2008

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

(Instructions on reverse)

NMOC

ACCEPTED FOR RECORD

JAN 15 2008

FARMINGTON FIELD OFFICE
BY TL Salyers