

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NOV 04 2008  
instructions on  
reverse side

5 LEASE DESIGNATION AND SERIAL NO

NMNM99739

6 IF INDIAN, ALLOTTEE OR TRIBE NAME

RECEIVED NOV 10 2008  
OIL CONSERVATION DIVISION

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WORK

OIL  
WFLI. ☐

GAS  
WFLI. ☒

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 G: 1860' FNL, 1970' FEL (SWNE)

At top prod. Interval reported below

7 UNIT AGREEMENT NAME

Report to lease

8. FARM OR LEASE NAME, WELL NO

FEDERAL 21-7-26 #1

9. API WELL NO

30-043-21062-0061

10. FIELD AND POOL OR WILDCAT

Basin Fruitland Coal

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

Sec 26-T21N-R7W

At total depth

Same

14 PERMIT NO.

DATE ISSUED

6/18/08

12. COUNTY OR PARISH

Sandoval

13. STATE

NM

15. DATE SPUDDED

8/4/08

16 DATE T.D. REACHED

8/7/08

17. DATE COMPL. (Ready to prod.)

10/7/08

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

6681' GR

19. ELEV. CASINGHEAD

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20. TOTAL DEPTH, MD & TVD

MD 855 TVD

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

MD 806' TVD

22. IF MULTIPLE COMPL., HOW MANY\*

1

23. INTERVALS DRILLED BY

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ROTARY TOOLS

0'-855'

CABLE TOOLS

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

Fruitland Coal 514'-520'; 546'-548'; 581'-600'

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/DSL; GR/CBL/CCL 803' to bottom of surface csg

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#	217' KB	12-1/4"	170 sx; Circ 10 Bbls to surf	
4-1/2" J-55	10.5#	850' KB	7-7/8"	252 sx; circ 10 Bbls 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"	671'; SN @ 636'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
New Perfs:		
514'-520' (8')	3-1/8" csg gun, 4 spf, 120 deg phasing	
546'-548' (2')		
581'-600' (19')	Total 108 holes - all shots fired	

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
514'-600'	12 B/15% HCl acid; 191 B/DynaFrac pad;
	785 B/DynaFrac 20 w/87,000# 20/40 Brady
	Sand; 8.2 B/flush

33.\* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)					WELL STATUS (Producing or shut-in)	
		Pumping					Shut in/WO 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

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.

to 11/12

DATE 10/28/08  
ACCEPTED FOR RECORD  
NOV 06 2008  
FARMINGTON FIELD OFFICE  
BY T. Salyers

copy to J.

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); FEDERAL 21-7-26 #1				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	100'		No cores were taken; no DST's were run.			
Kirtland Shale	285'					
PC Sandstone	602'					
Huerfanito Bentonite	790'					

base of flow to base of bentonite

1200'