

SUBMIT IN DUPLICATE\*

(See other in-

NOV 04 2008  
instructions on  
reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NMNM99732

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Report to lease

8. FARM OR LEASE NAME, WELL NO

FEDERAL 21-6-29 #1

9. API WELL NO.

30-043-21056 - 0051

10. FIELD AND POOL OR WILDCAT

Basin Fruitland Coal

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

Sec 29-T21N-R6W

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: 935' FNL, 980' FEL (NENE)

At top prod. Interval reported below

At total depth

Same

## 14. PERMIT NO.

## DATE ISSUED

2/5/08

## 12. COUNTY OR PARISH

Sandoval

## 13. STATE

NM

## 15. DATE SPUDDED

6/30/08

## 16. DATE T.D. REACHED

7/7/08

## 17. DATE COMPL. (Ready to prod.)

10/28/08

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

6889' GR

## 19. ELEV. CASINGHEAD

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## 20. TOTAL DEPTH, MD &amp; TVD

MD 1045' TVD

## 21. PLUG, BACK T.D., MD &amp; TVD

MD 989' TVD

22. IF MULTIPLE COMPL.,  
HOW MANY\*

1

23. INTERVALS  
DRILLED BY

-----&gt;

## ROTARY TOOLS

0'-1045'

## CABLE TOOLS

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

Fruitland Coal 822'-848'

25. WAS DIRECTIONAL  
SURVEY MADE

Yes

## 26. TYPE ELECTRIC AND OTHER LOGS RUN

GR/DSL; GR/CBL/CCL PBTD (989') to surface csg

## 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#	210' KB	12-1/4"	160 sx; Circ 12 Bbls to surf	
4-1/2" J-55	10.5#	1034' KB	7-7/8"	180 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"	907'; SN @ 872'	

## 31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
New Perfs:		
822'-848' (26')	3-1/8" csg gun, 4 spf, 120 deg phasing	

Total 104 holes - all shots fired

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
822'-848'	500 gal acid; 1043 B/DynaFrac 20
	100,000# 20/40 Brady Sand
	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--BBLs	GAS--MCF.	WATER--BBL
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

\*(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

DATE 10/28/08 RECORD

NOV 05 2008

FARMINGTON FIELD OFFICE

BY T. Sayers

NMOCB 8/12

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 21-6-29 #1

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	271'		No cores were taken; no DST's were run.			
Kirtland Shale	494'					
PC Sandstone	868'					
Huerfanito Bentonite	NDE					
NDE = NOT DEEP ENOUGH						

copy 11

1200

1200