

Blank letter dated  
7/11/08

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

AMENDED  
REPORT

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

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
NM99737

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
FEDERAL 21-7-19 #3

9. API Well No.  
30-043-21049

10. Field and Pool, or Exploratory Area  
Basin Fruitland Coal

Sandoval County, NM

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
SEP 20 2009  
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)  
Lot 4: (SWSW) Sec 19-T21N-R7W  
759' FSL, 1202' FWL

12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Completion
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

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 recompleat 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.)

(See Sundry Notice dated August 30, 2007). (TD reached 8/21/07). MIRUSU 7/14/09. PU 3-3/4" bit, scraper, 2 ea 3-1/8" DC's & RIH on 2-3/8" KB tbg work string to PBTB (615' KB); roll hole w/2% KCl wtr. PT csg/wellhead/BOP to 3000 psi for 30 min, ok. Rn CCL/CBL/GR/GSL log from PBTB (615') to surface. Pert FT coal w/4 spt, 120 deg phasing 383'-386' (3'); 450'-455' (5'); 462'-466' (4'); total 12', 48 holes. Frac as follows: Pmpd 500 gal 15% HCl; pmpd 23, 197 gal Delta 140 gel containing 500 sx 20/40 Brady Sand, pmpd 236 gal flush; avrg 916 psi @ 24.5 bpm. CO well and made swab runs. Rn 16 jts 2-3/8" 4.7# J-55 tbg (521.37') w/NC on bottom @ 526'; SN @ 494'. (PBTB changed to 614'). PU 2" x 1-1/2" x 12' RWAC-DV insesrt pump, bucket test & RIH on STR tool, 3 ea 1-1/4" sinker bars, 17 ea 3/4" rods w/molded guides, 1 ea 6' pony rod & land w/polish rod. Load tbg & ck pump action to 600 psi, ok. RDSU Move rig off loc 8/19/09.

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

Name (Printed/Typed)  
Marcia Stewart

Title  
Agent for SG Interests I Ltd

RCVD OCT 7 '09  
OIL CONS. DIV.

Signature

Marcia Stewart

Date

September 28, 2009

DIST. 3

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

OCT 01 2009

FARMINGTON FIELD OFFICE  
BY J. SANCHEZ