

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

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.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM 013492
2. Name of Operator SG INTERESTS I LTD, c/o SAGLE, SCHWAB & McLEAN ENERGY RESOURCES		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 2677, DURANGO, CO 81302	3b. Phone No. (include area code) (970) 259-2701	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1190' FNL, 1190' FEL (NENE) Sec 18-T26N-R13W		8. Well Name and No. WEST BISTI 26-13-18 #1
		9. API Well No. 30-045-29012
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan County, NM

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 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 Continue
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Temp Abandonment
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> status

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 recompleate 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 recompleation 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.)

This well has been under Temporary Abandonment status for some time. Approval to connect this and additional wells to a sales pipeline was finally given by the Navajo Nation in October, 1999. The West Bisti 26-13-20#1 (on this same lease), along with two additional wells in the nearby vicinity, are currently producing to a sales line and are being evaluated. Because the pipeline to connect this well is approximately 4+ miles in length, SG is requesting a continuation of Temporary Abandonment status until economic evaluations can be made on the adjacent wells to determine the feasibility of building a pipeline to this well.

cc: NMOCD

**THIS APPROVAL EXPIRES APR 15 2001**

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

Name (Printed/Typed) Marcia Stewart	Title Agent for SG Interests I Ltd
Signature <i>Marcia Stewart</i>	Date October 11, 2000

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date 10/18/00
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.