

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28842

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SG Interests I, Ltd. Attn: A. M. O'Hare

3. ADDRESS AND TELEPHONE NO.

P. O. Box 421 Blanco, New Mexico 87412-0421 (505) 325-5599

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1225'FSL 790'FWL

At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9 Miles Southeast of Blanco, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

790'

16. NO. OF ACRES IN LEASE

960

17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

310'

19. PROPOSED DEPTH

2365'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5781'GR

22. APPROX. DATE WORK WILL START*

As Soon As Permitted

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24# J-55	250'
7-7/8"	5-1/2"	15.5# J-55	2365'

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"
236 ft, Class B w/ 2% CaCl
478 ft, 65/35 Pozmix w/ 6% Gel
118 ft, Class B Neat Tail

SG Interests I, Ltd. proposes to drill a vertical well to develop the Fruitland Coal formation at the above described site in accordance with the attached drilling and surface use programs.

This APD is also serving as application to obtain BLM road Right-of-Way. The right-of-way will be an existing road extending from the Largo Canyon Road. The requested right-of-way is approximately 0.6 miles in length and 30 feet in width. The proposed right-of-way crosses the NE/NE of Section 29 and the SW/SW of Section 21, all of T28N, R8W in San Juan County, New Mexico.

RECEIVED
NOV 20 1992

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

OIL CON. DIV
DIST. 3

24. A. M. O'Hare

SIGNED

A. M. O'Hare

TITLE

Agent SC Interests I, Ltd.

DATE

10/30/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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 recover thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

APPROVED
AS AMENDED

NOV 18 1992

AREA MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

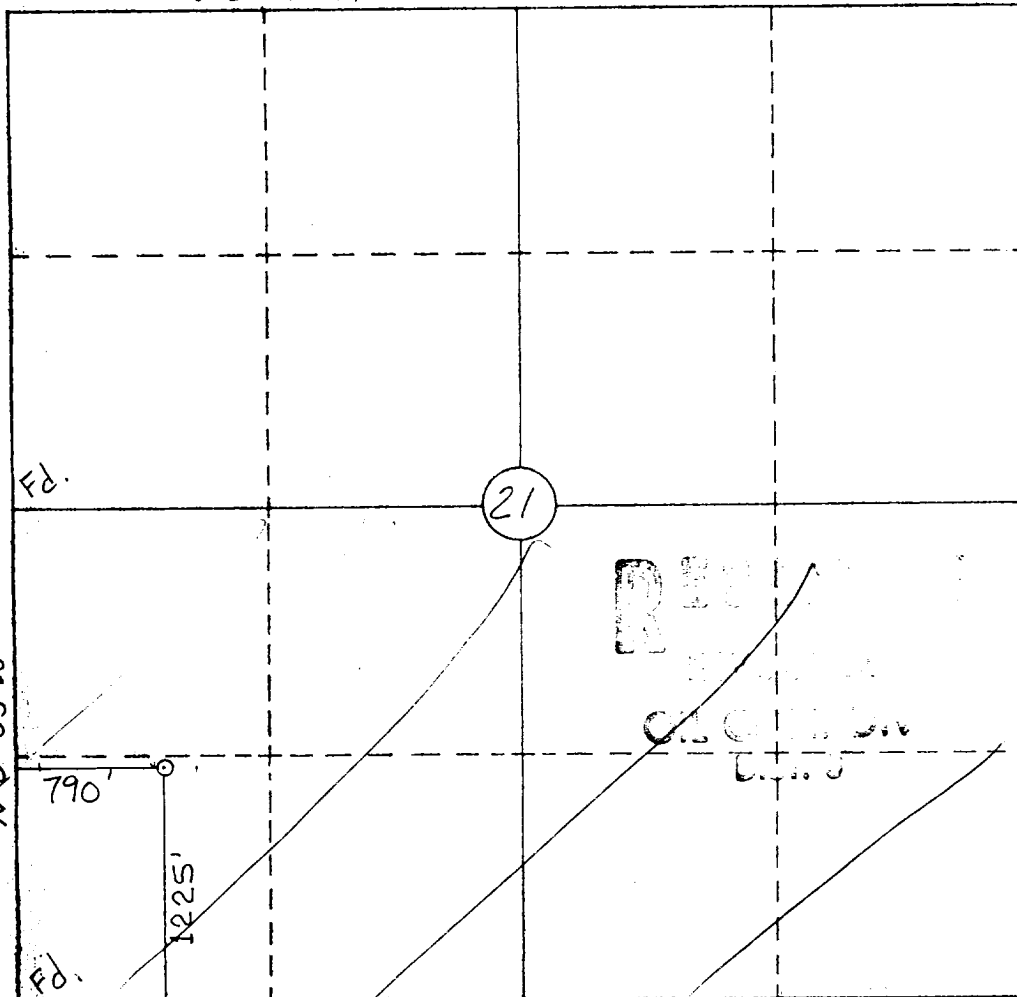
All Distances must be from the outer boundaries of the section

Operator S G INTERESTS I, LTD.		Lease FEDERAL 28-8-21		Well No. 1
Unit Letter M	Section 21	Township 28 N	Range 8 W	County San Juan
Actual Footage Location of Well 1225 feet from the South line and 790 feet from the West line				
Ground level Elev. 5781	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

N 89°56'W

79.97ch.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

A. M. O'Hare

Position

President/Agent

Company Maralex Resources, Inc.
SG Interests I, Ltd. Agent

Date

10/30/92

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

9-30-92

Date Surveyed

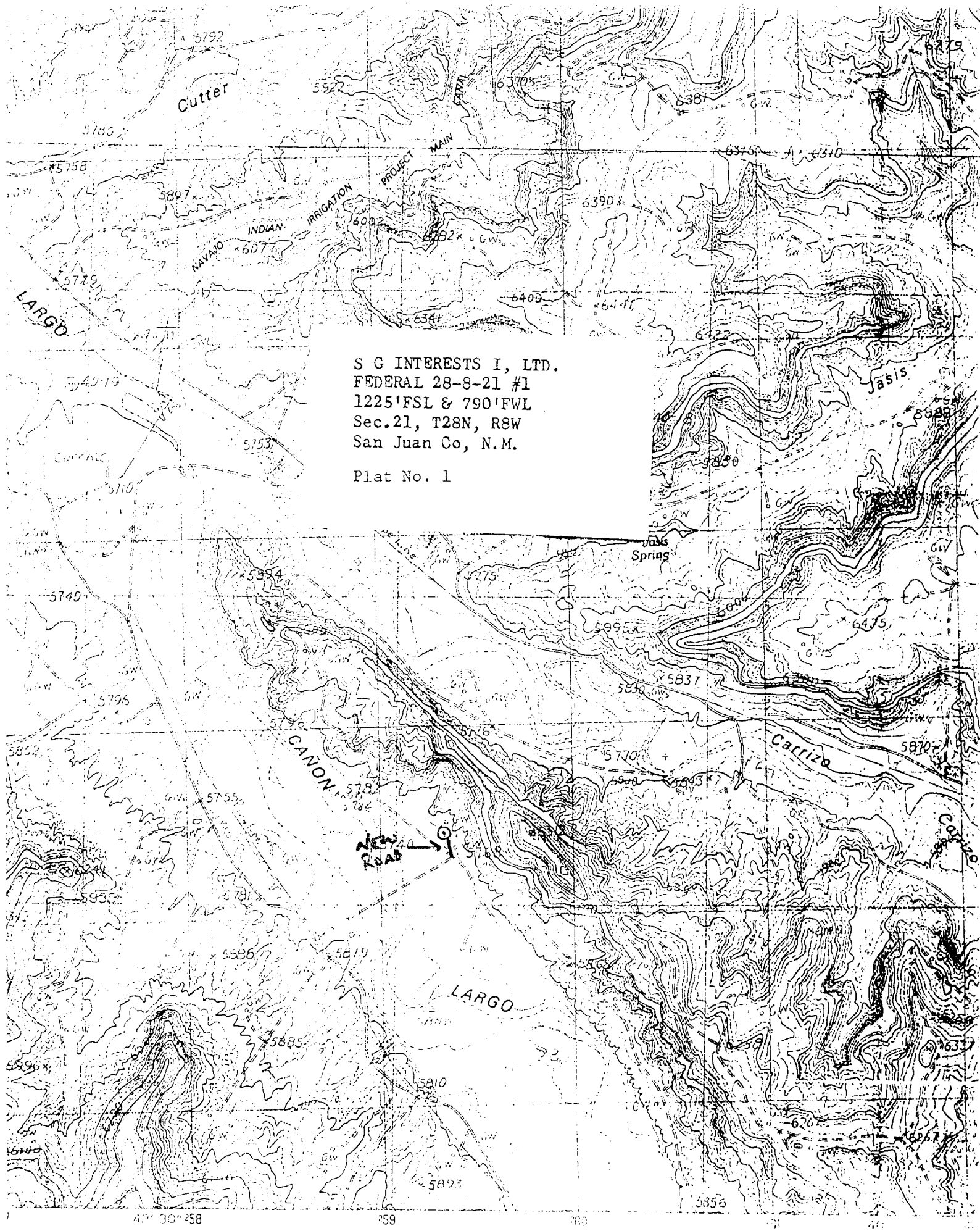
William W. Mahnke II

Signature & Seal of Professional Surveyor

#8466

Certificate No.

8466



S G INTERESTS I, LTD.
FEDERAL 28-8-21 #1
1225' FSL & 790' FWL
Sec. 21, T28N, R8W
San Juan Co, N.M.

Plat No. 1