

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28844

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-079319	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR SG Interests I, Ltd. 20572		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 421, Blanco, NM 87412		8. FARM OR LEASE NAME Federal 28-8-31 13585	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1865' FNL, 1555' FEL At proposed prod. zone same		9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 11.5 miles southeast of Blanco		10. FIELD AND POOL, OR WILDCAT 7/629 Basin Fruitland Coal	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1555'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA G Sec 31, T28N, R8W	
16. NO. OF ACRES IN LEASE 2576.330		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL E/320 504-80		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. +1100'		19. PROPOSED DEPTH 2770'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* Oct. 25, 1992	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 6380' GL, 6393' KB		23. APPROX. DATE WORK WILL START* Oct. 25, 1992	

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
GENERAL REGULATION

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, J-55	250'	236 cf Class B W/2% CaCl ₂
7-7/8"	5-1/2"	15.5#, J-55	2770'	580 cf 65/35 Poz w/6% gel & 118 cf Class B neat tail

SG Interests I, Ltd., proposes to drill the above described well to develop the Fruitland Coal formation at the proposed site in accordance with the attached "Drilling" and "Surface Use" Programs.

This APD is also serving as an application to obtain BLM road Right-of-Way on an existing road. The right-of-way will extend from the Federal 28-8-31 #2 location (utilizing an applied for ROW from that location to the Largo Canyon Road) to the proposed location. The new ROW for this well will be approximately three-quarters of a mile in length and 30 feet in width. The ROW will run through the NESW, SWSE, NESE, SENE, and SWNE of Section 31, T28N, R8W San Juan County, New Mexico.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.

SIGNED <u>A. M. O'Hare</u>	TITLE <u>Agent for SG Interests I, Ltd.</u> DATE <u>Oct. 14, 1992</u>
(This space for Federal or State office use)	
PERMIT NO. <u>20572</u>	APPROVAL DATE <u>NOV 18 1992</u>
APPROVED BY <u>NOV 20 1992</u>	TITLE <u>AREA MANAGER</u>
CONDITIONS OF APPROVAL, IF ANY:	

OIL CON. DIV.
DIST. 3

NMOCD

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICU

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

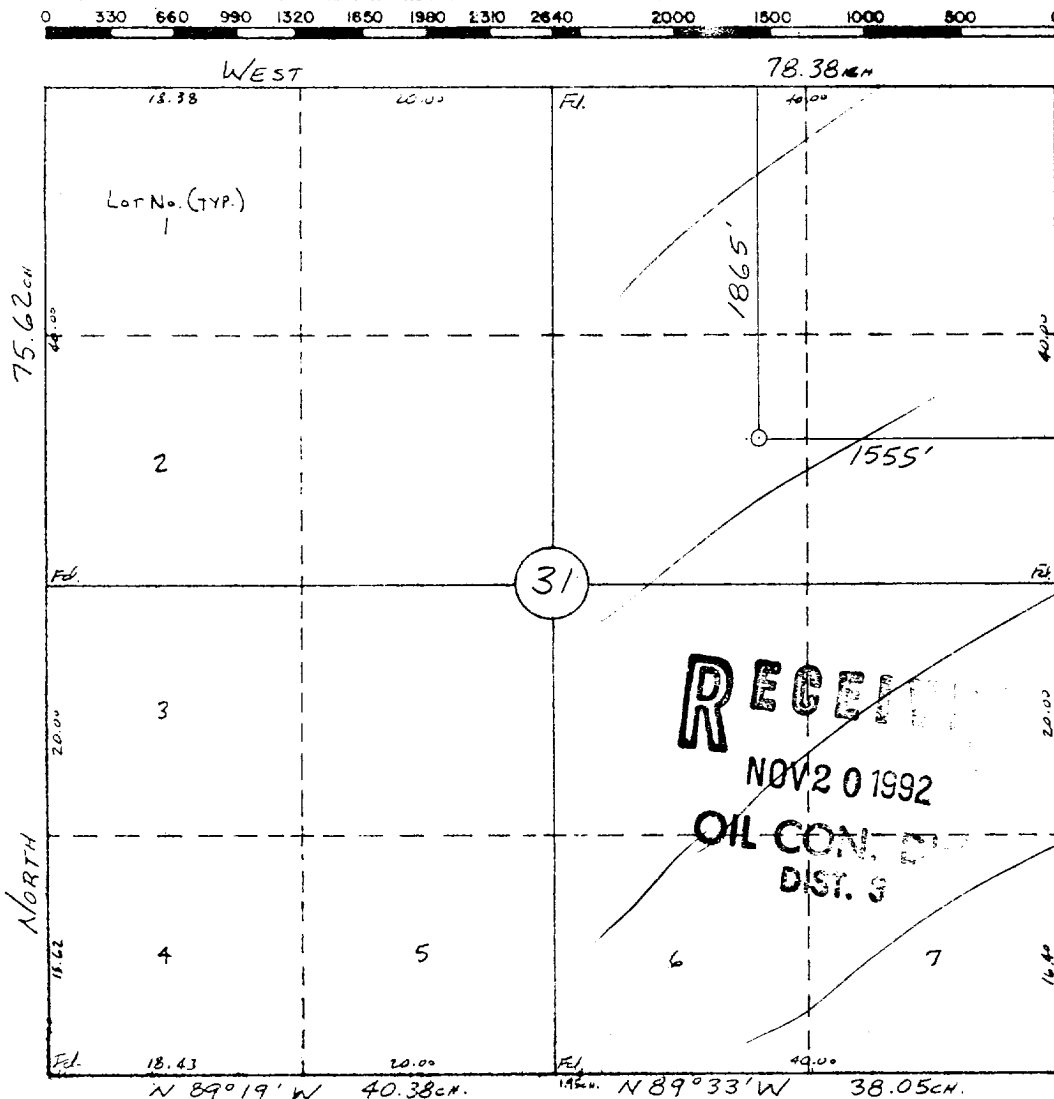
DISTRICT VII

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 28-8-31		Well No. 1	
Unit Letter G	Section 31	Township 28 N	Range 8 W	County San Juan	
Actual Footage Location of Well: 1865 feet from the North line and 1555 feet from the East line					
Ground level Elev. 6380	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 communication, unitization, force-pooling, etc.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communication, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



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.
Agent for SG Interests I, Lt	

Date _____

Oct. 14, 1992

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.

10-1-92

Date Surveyed _____

William E. Mahnke II

Signature & Seal of
Professional Surveyor

Certificate No. 8466

R91
R81

$$\begin{array}{r} T_{28N} \\ \hline T_{27N} \end{array} \quad 4055$$

CANYON

BLANC

BLANCO

MEAS

Huerfano Canyon