

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28863

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
SG Interests I, Ltd. 20572

3. ADDRESS OF OPERATOR
P.O. Box 421, Blanco, NM 87412

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1100' FSL, 2140' FWL
At proposed prod. zone: same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 10.5 miles southeast of Blanco

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1100'

16. NO. OF ACRES IN LEASE
1876.580

17. NO. OF ACRES ASSIGNED TO THIS WELL
S/320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
+1000'

19. PROPOSED DEPTH
2790'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6370' GL, 6383' KB

22. APPROX. DATE WORK WILL START*
Oct. 29, 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

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL 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	2790'	590 cf 65/35 Poz w/6% gel &
				118 cf Class B neat tail

SG Interests I, Ltd., proposes to drill a vertical hole at the above described site to develop the Fruitland Coal formation in accordance with the attache "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 #1 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 SWNE, NWNE of Section 31 and the SWNE of Sec 30 in 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.

24. SIGNED A. M. O'Hare TITLE Agent for SG Interests I, Ltd. DATE Oct. 14, 1992

(This space for Federal or State office use)

PERMIT NO. **RECEIVED** APPROVAL DATE _____

APPROVED BY NOV 30 1992 TITLE _____

CONDITIONS OF APPROVAL, IF ANY.

OIL CON. DIV. DIST. 3
6-104 To Council Fed *See Instructions On Reverse Side

APPROVED AS AMENDED

NOV 24 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

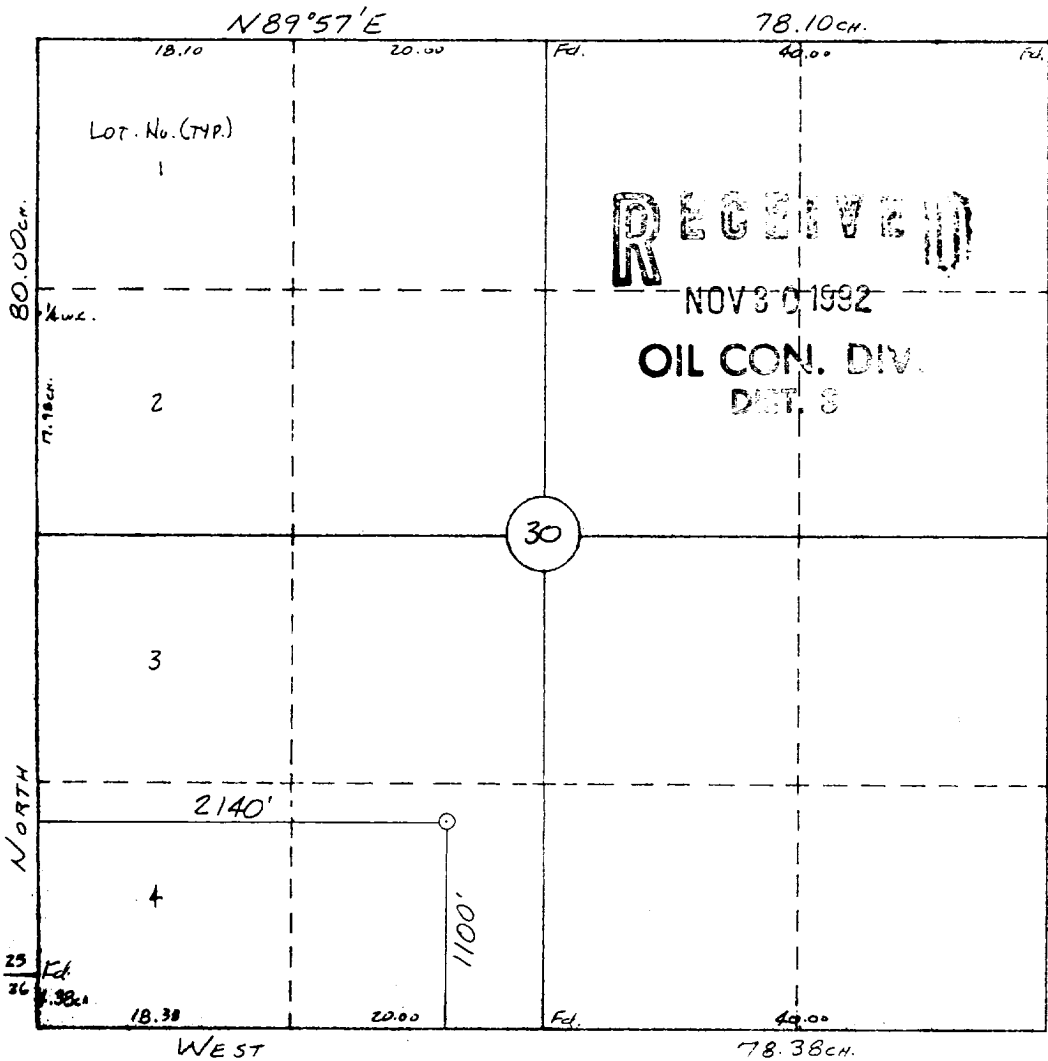
Operator S G INTERESTS I, LTD.			Lease FEDERAL 28-8-30		Well No. 3
Unit Letter N	Section 30	Township 28 N	Range 8 W	County San Juan	
Actual Footage Location of Well 1100 feet from the South line and 2140 feet from the West line			NMPM		
Ground level Elev. 6370	Producing Formation Fruitland Coal	Pool Basin Fruitland		Dedicated Acreage 3.20 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

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).

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.?
 Yes 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.

RECEIVED
 NOV 15 1992
 COMM. DIV.
 SANTA FE, N.M.



OPERATOR CERTIFICATION

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

Signature: *A. M. O'Hare*
 Printed Name: **A. M. O'Hare**

Position: **President/Agent**

Company: **Maralex Resources, Inc.**
 Agent for **SG Interests I, Ltd.**

Date: **Oct 14, 1992**

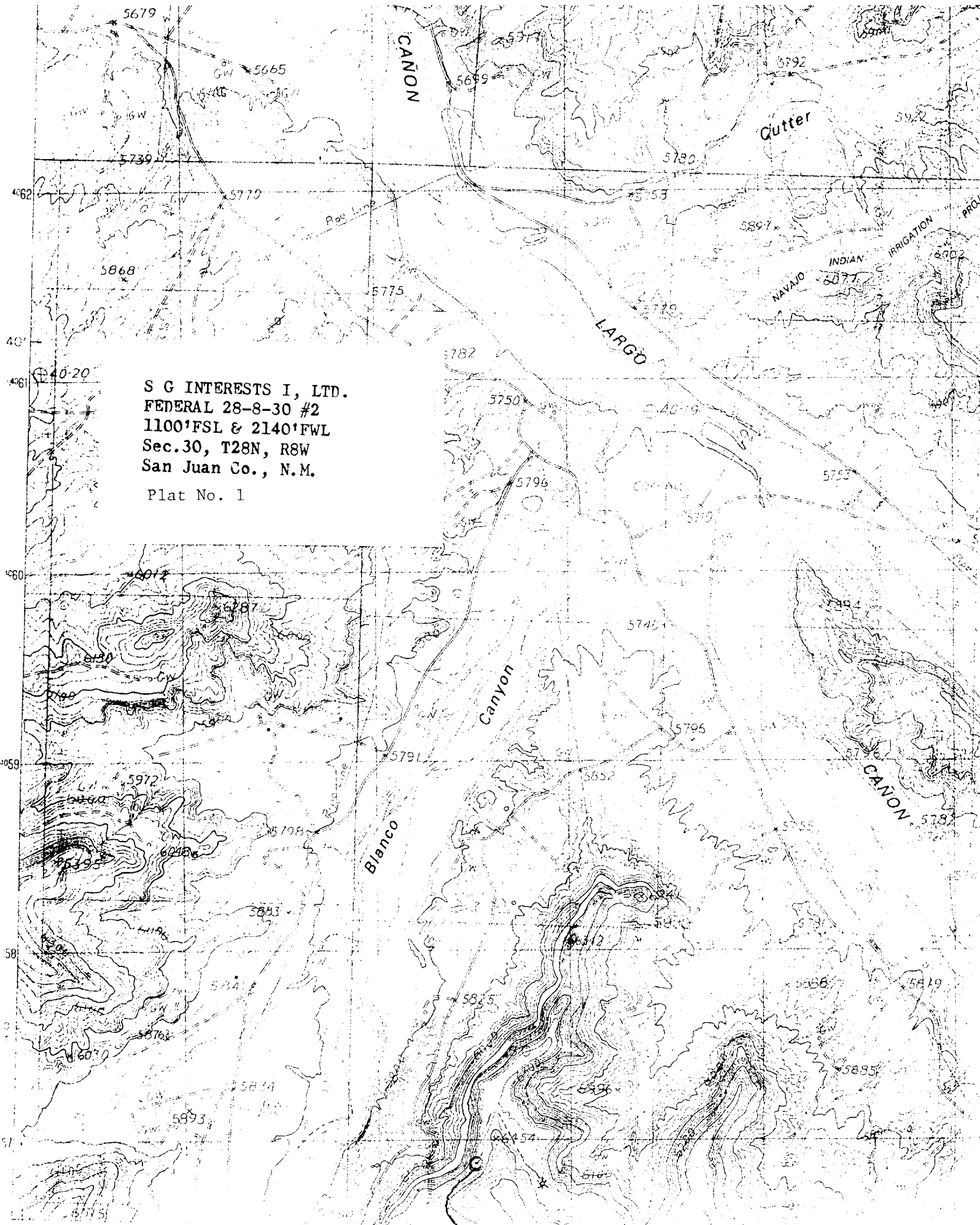
SURVEYOR CERTIFICATION

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.

Date Surveyed: **10-7-92**
 Surveyor: **William W. Mahanke II**

Signature & Seal of Professional Surveyor: *William W. Mahanke II*
 #8466

Certificate No. **8466**



S G INTERESTS I, LTD.
FEDERAL 28-8-30 #2
1100'FSL & 2140'FWL
Sec.30, T28N, R8W
San Juan Co., N.M.
Plat No. 1