

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88240

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

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

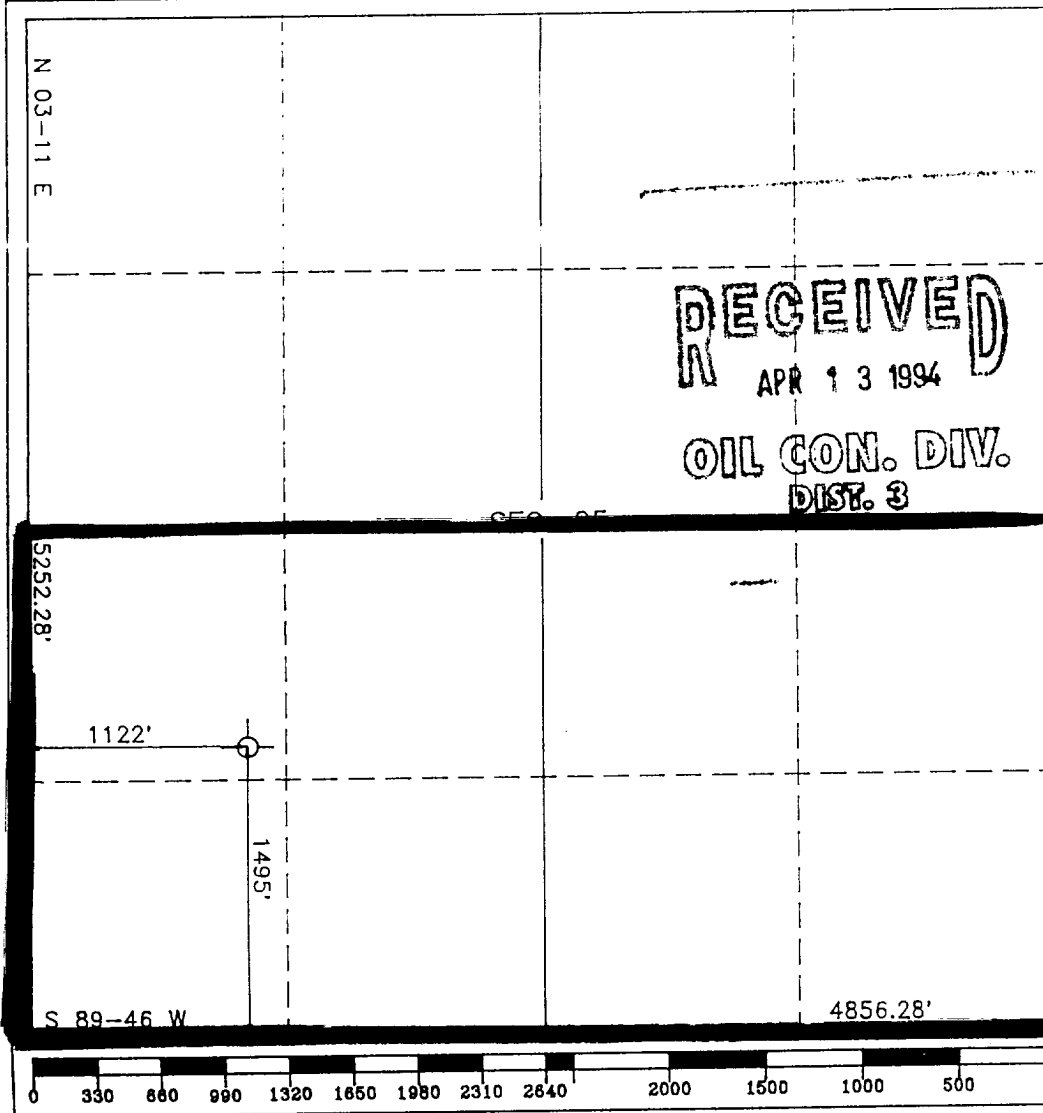
Form C-102
Revised 1-1-89
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BLM

94 MAR 31 AM 7:40

070 FARMINGTON, NM

Operator SG INTERESTS I LTD MARALEX RESOURCES, INC.			Lease HART CANYON 25		Well No. 25-2
Unit Letter L	Section 25	Township 31 NORTH	Range 10 WEST	NMPM	County SAN JUAN
Actual Footage Location of Well: 1495 feet from the SOUTH line and 1122 feet from the WEST line					
Ground level Elev. 6376	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure mark on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.



OPERATOR CERTIFICATION

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

Signature

Dennis R. Reimens

Printed Name

Agent

Position

Engineering Manager

Company

SG Interests

Date

3/29/94

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

MARCH 25 1994

Signature

Seal of

Professional Surveyor

A. RUSH

8834

Certificate No.

8834

This topographic map depicts the Hart Canyon and Mud Canyon regions. Hart Canyon is shown in the upper portion, with Hart Spring located at its headwaters. Mud Canyon is situated below Hart Canyon, with Mud Spring and Crow Spring nearby. The map features numerous contour lines indicating elevation, with specific points marked such as 6302, 6326, 6375, 6401, 6481, 6501, 6580, 6617, 6641, 6667, 6722, and 6841. Several springs are labeled, including Bootlegger Spring, Indian Spring, Headwater Spring, Cash Spring, Mud Spring, and Pilares Spring. The map also shows a grid system with coordinates ranging from 107° 52' 30" to 108° 00' 00" longitude and 36° 52' 30" to 37° 00' 00" latitude. A scale bar at the top indicates a distance of 245,000 feet. The map is titled 'HART CYN. 25' and includes a north arrow.

50

4079

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-29109

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

PO Box 338, Ignacio, CO 81137 (303) 563-4000

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

At surface
1495' FSL, 1122' FWL Sec 25-T31N-R10W (NWSW)
At proposed prod. zone
Same

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

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

16. NO. OF ACRES IN LEASE
2066.44

17. NO. OF ACRES ASSIGNED
TO THIS WELL

3/320

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

19. PROPOSED DEPTH
3329'

20. ROTARY OR CABLE TOOLS

Rotary

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

6376' GR

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

23. PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

Upon Govt Approval

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

200 sx Class B plus 2% CaCl₂
380 sx Class B plus additives

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24#	300'
7-7/8"	5-1/2"	15.5#	TD 3329

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.

An Archaeological survey will be conducted to determine any potential sites.

All of the access road for this well is located on this lease, so no right-of-way application is required.

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APR 13 1994

OIL CON. DIV.

DIST. 3

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

Dennis R. Reimers

TITLE Eng. Mgr, Agent for
SG Interests I Ltd

DATE March 29, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

APR 06 1994

DISTRICT MANAGER

*See Instructions On Reverse Side