

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-043-21054
5. Indicate Type of Lease FEDERAL
6. State Oil & Gas Lease No. NMNM113429
7. Lease Name or Unit Agreement Name Federal 21-6-28 SWD
8. Well Number #33
9. OGRID Number 020572
10. Pool name or Wildcat SWD Entrada, Bluff, Morrison
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6862' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well Gas Well Other
2. Name of Operator SG Interests I, Ltd.
3. Address of Operator PO Box 2677, Durango, CO 80302
4. Well Location Unit Letter M ; 660 feet from the South line and 660 feet from the West line
Section 28 Township 21N Range 06W NMPM County Sandoval

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK PLUG AND ABANDON
TEMPORARILY ABANDON CHANGE PLANS
PULL OR ALTER CASING MULTIPLE COMPL
DOWNHOLE COMMINGLE
CLOSED-LOOP SYSTEM
OTHER:
SUBSEQUENT REPORT OF:
REMEDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. P AND A
CASING/CEMENT JOB
OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SG Interest Proposes to comply with the required well bore MIT in email dated 2/1/2022. The test will comply with the requirements put forth in the email. The test will be performed during the Month of March and a solid date will be confirmed with the Aztec OCD office to comply with the required witness by an OCD Inspector.

Spud Date: Rig Release Date:

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

SIGNATURE Wm Schwab III TITLE Agent for SG Interests I, Ltd. DATE 02/18/2022

Type or print name William Schwab III E-mail address: tripp@nikaenergy.com PHONE: 970-259-2701

For State Use Only

APPROVED BY: Monica Kuehling TITLE Deputy Oil and Gas Inspector DATE 3/1/2022

Conditions of Approval (if any):

SG Interests I, Ltd.

Federal 21-6-28 SWD #33

UL M, SW 1/4, Sec. 28, T21N-R6W
Lat 36.01604 °N, Long -107.48189 °W

McKinley Co, NM

API # 30-043-21054

March 2022

Perform MIT with NMOCD Witness

TS

GL: 6891'
 TD: 6609' KB
 PBTB: 6563' KB
 KB: 15'
 CSG: 156 jts 7", 23#, N80 casing, TOC ± 3600'
 Perforations: 6312'-6498' gross interval (top of fish @ 6372 covering lower two sets of perfs)
 Rathole: 62' (covered by fish)
 Tbg: WL 3-1/2" API Re-entry guide, 2.25 ID "R" SN, 8.3' x 3-1/2" pup jt, HES PLS 7, 26-32, 3-1/2" packer assembly, 3-1/2" x 7" XL on/off tool, 31.9' x 3-1/2" pup jt, 2.75 ID "F" SN, + 196 jts 3-1/2" 9.3# J55 tbg, Packer Set @ 6245' KB in 12K compression, tail pipe @ 6258

Current Production: average 2500 BWPD injected @ 375 psi.

Well History:

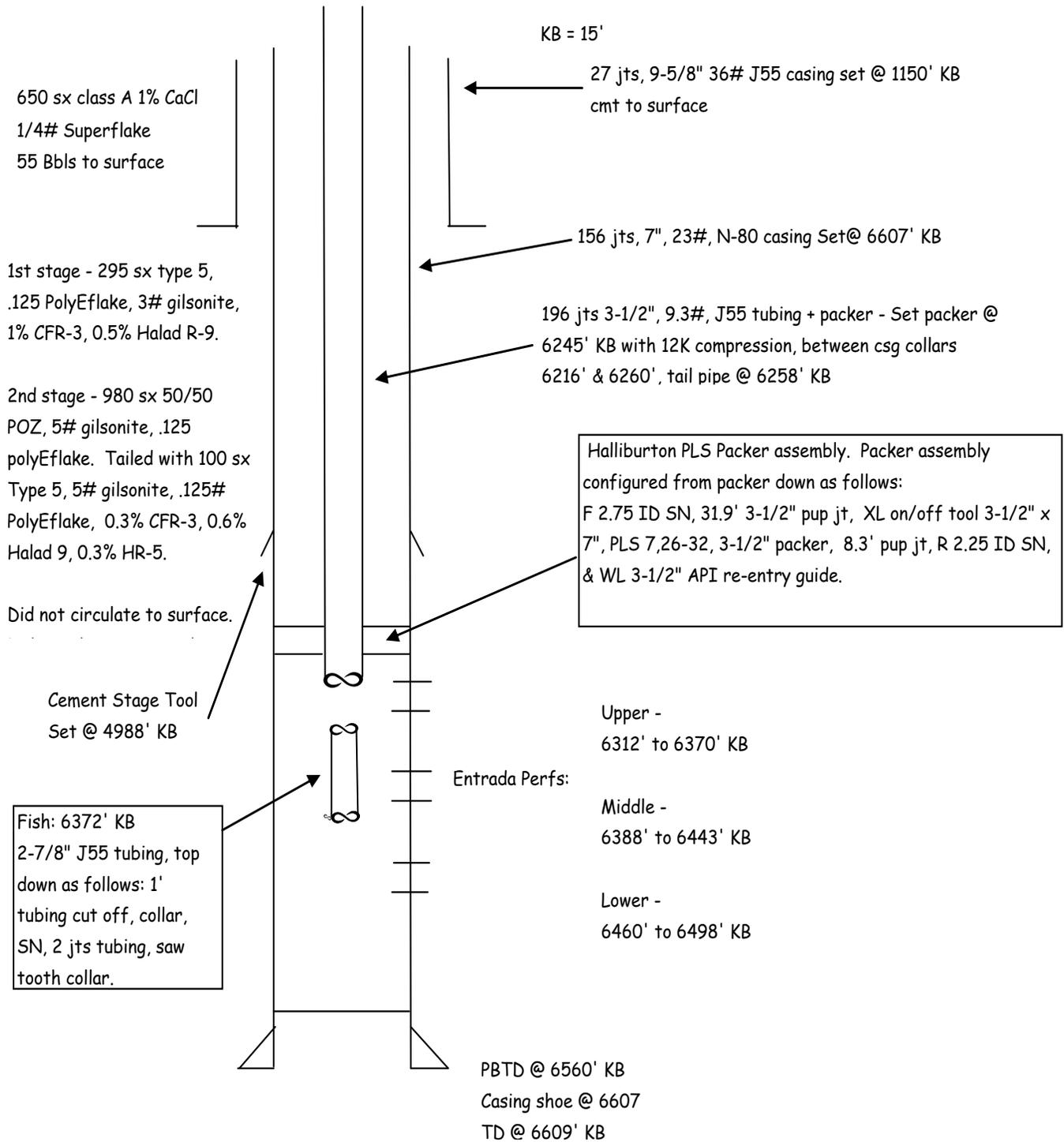
3/08	Initial Completion
10/09	MIT
11/09	WO to replace bad tubing.
5/13	MIT
8/15	MIT + Acid Job.
3/21	MIT, rejected.

DIRECTIONS: From Counselor Trading Post on US Hwy 550, travel south on Hwy 550 +/- 0.1 miles, turn right on dirt road with sign: "Star Lake Compressor-26 miles". This is the 0 miles point for this description. Follow dirt road:

- AT: 4.3 miles – Turn left at "Ojo Encino School" sign,
- " 11.0 miles – Transition to pavement with sign N 474,
- " 14.5 miles – Turn right off pavement through cattle guard onto dirt road,
- " 17.8 miles – Turn right off main road and follow existing North El Pintado Compressor sight access road to Compressor site,
- " 18.5 miles – Travel NE through Compressor site to NE Corner of site,
- " 18.6 miles – Location is NE ± 70'.

Federal 21-6-28 SWD #33
March 2022 MIT Procedure

Current Wellbore Diagram



Federal 21-6-28 SWD #33
March 2022 MIT Procedure

Procedure:

- Note: 1) Have Well Tender on Location to Kill Injection Pump and Restart after test is done.*
- 2) Make sure test chart recorder company has current calibration With backup.*
- 3) Cell Phone service is nonexistent to limited on location.*
-
- 1) Safety Meeting. Check & record bradenhead, tubing & casing pressures. Perform Braden head test with OCD personnel.
 - 2) MIRU Drake Test Pump Truck. Have Well Tender Shut in Injection Pump last thing the night before, or first thing in the morning. If first thing in the morning, allow tubing pressure to stabilize a minimum of 30 min. Record Pressures again.
 - 3) MIRU Wilson Pressure Test Recorder Company. Chart recorder must have a 1000# spring, with a 1 hour clock, with a chart matching the spring range and clock rate.
 - 4) Connect test pump to casing. Pressure test lines w/ water. If lines test OK pressure up casing to 350 psi. Chart pressure for 30 minutes in front of NMOCD witness. Record all pressures at end of test.
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- 2) Blow down lines. RDMO Test Pump Truck, and Test Recorder Company.
 - 3) Well Tender will start onsite injection pump and set at previous rates.

Federal 21-6-28 SWD #33
March 2022 MIT Procedure

Important Numbers:

Regulatory

BLM	505-564-7600	Main Switchboard
NMOCD	505-334-6178	

WO Issues:

Tripp Schwab	970-259-2701 970-769-3589 970-769-3589	Office Mobile Home
Brad McKinney	970-749-2163	Mobile
Levi Casaus	970-426-1272	Mobile
RJ McKinney	480-694-6519	Mobile

Federal 21-6-28 SWD #33
March 2022 MIT Procedure

Vendor List:

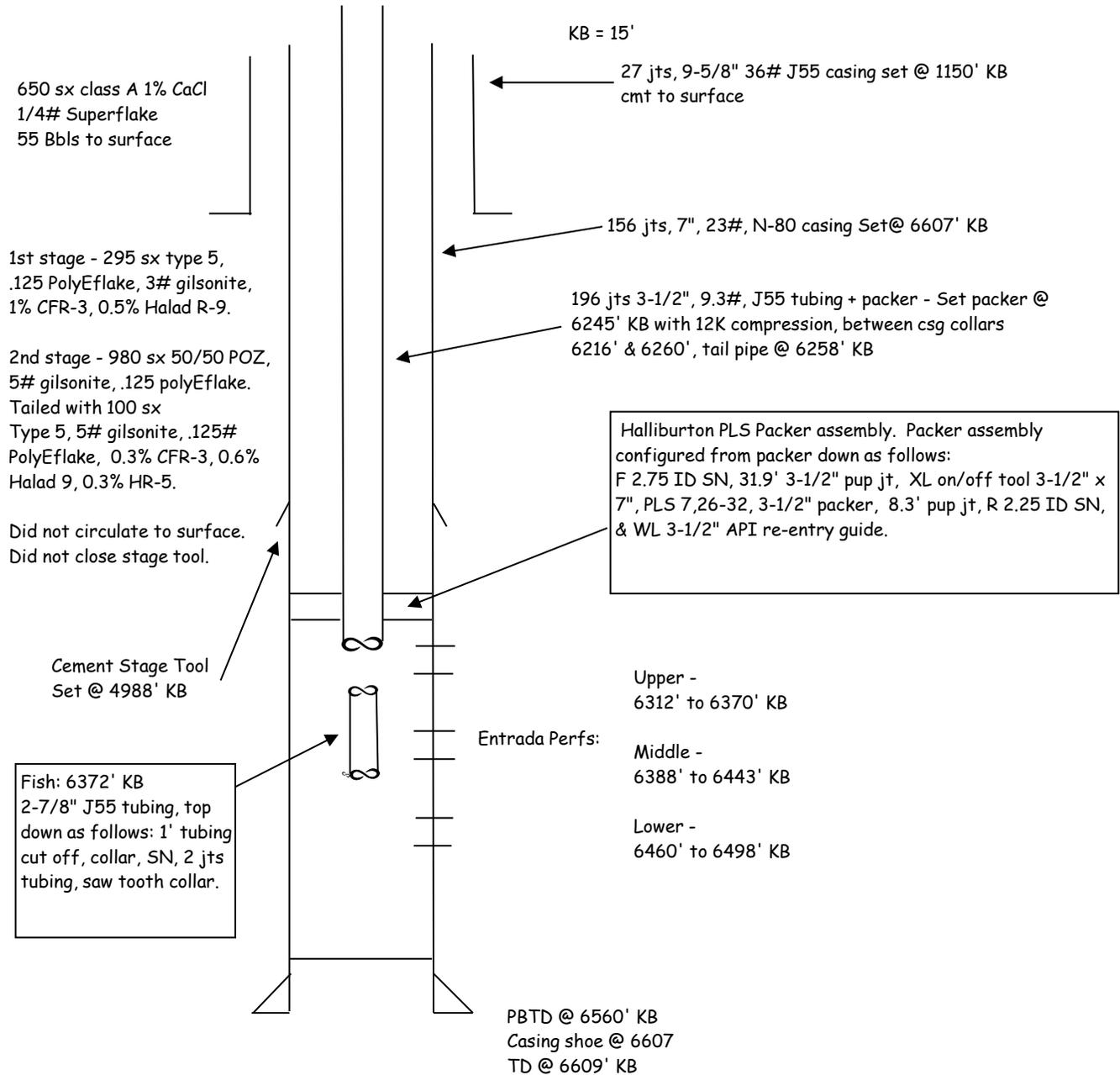
<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Dirt Contractor	Keystone Randy Schreffler	Off	505-334-8462
Pit Liner	Ore Systems Zane Galloway		
Anchors	Mote	Off Off	505-325-9711 505-325-1666
Rod Pumps etc.	Drake Pump Service Drake McCulloch	Cell	505-320-1180
PC Pump	Black Arrow Solutions Dave Cox	Cell	505-320-8158
Tubing Inspection	Tuboscope	Off	505-333-2224
Tubing	Cave Jim Cave	Off	505-325-3401
Wellhead Equipment	WSI	Off	505-326-0308
Logging / Perforating	Basin Well Logging Dana McGarrah	Off	505-327-5244
Water Hauling	Overright Trucking Mike Overright	Off	505-215-3035
Frac Tank & Heavy Hauling	CNJ Trucking Craig Nelson	Cell	505-320-8345
Light Trucking / Hotshot	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
Rig Move	Drake Well Service Drake McCulloch	Cell	505-320-1180

Federal 21-6-28 SWD #33
March 2022 MIT Procedure

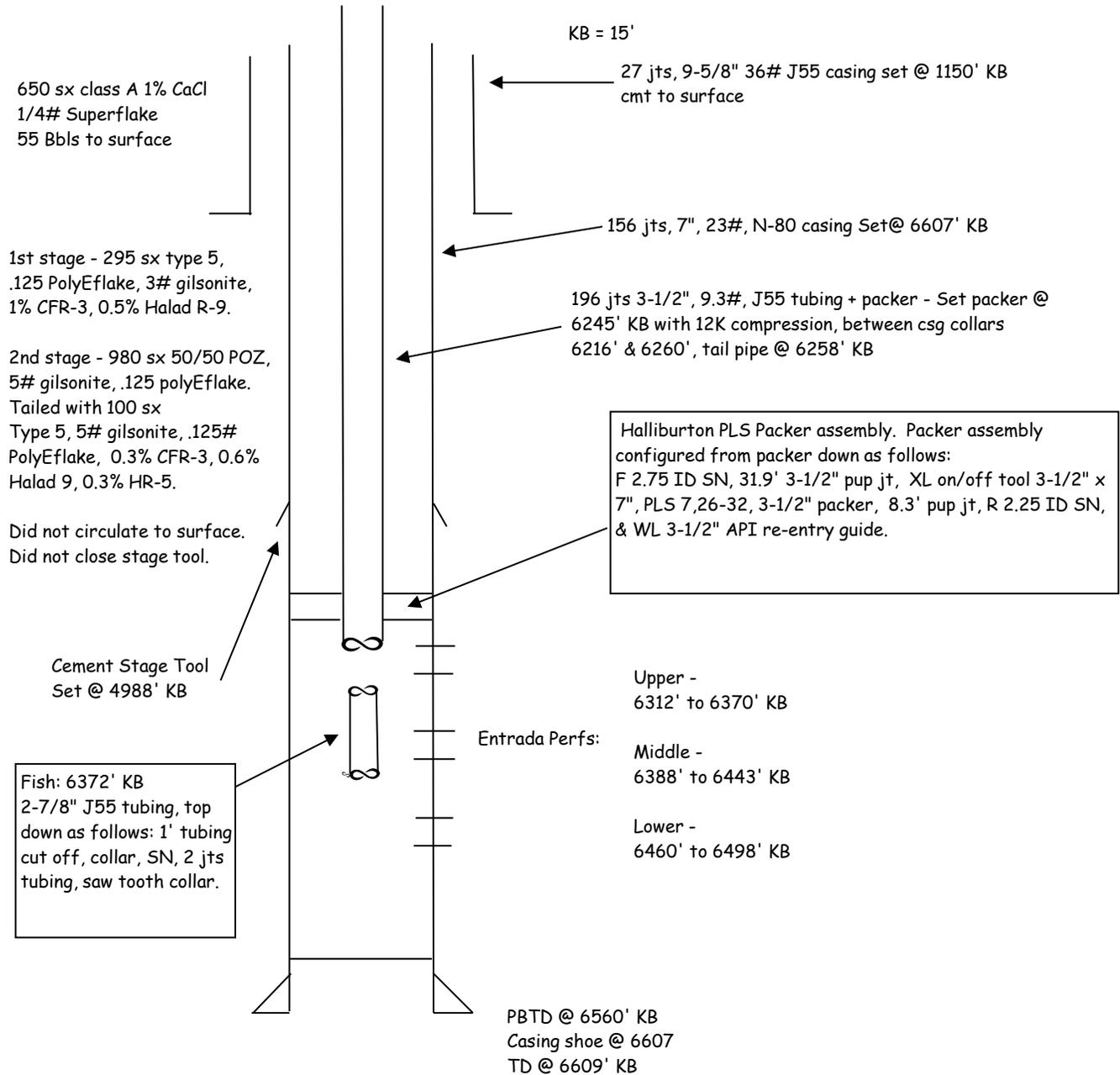
Vendor List Cont.

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>	
Cementing	Drake Well Service Drake McCulloch	Cell	505-320-1180
Porta Johns	Cabannas Hal Stone	Off	505-325-5835
		Cell	505-330-7566
Drywatch	Double S Hot Shot Debbie and Larry Slavin	Cell	505-334-3850
BOP & MIT Testing	Wilson & Co.	Off	505-334-3807
Roustabout	Keystone Randy Schreffler	Off	505-334-8462
BOP Rental	Drake Well Service Drake McCulloch	Cell	505-320-1180
Pressure Test Truck & Rig	Drake Well Service Drake McCulloch	Cell	505-320-1180

SG Interests, Ltd.
Federal 21-6-28 SWD #33
Wellbore Drawing
03/2022



SG Interests, Ltd.
Federal 21-6-28 SWD #33
Wellbore Drawing
03/2022



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CONDITIONS
 Action 85340

CONDITIONS

Operator: SG INTERESTS I LTD Nika Energy Operating Durango, CO 81302	OGRID: 20572
	Action Number: 85340
	Action Type: [C-103] NOI Temporary Abandonment (C-103I)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Time and date of test decided as weather permits - kill check required after testing.	3/1/2022