

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised June 10, 2003

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address SDG Resources L. P. P. O. Box 1390 Montrose, CO 81402		<sup>2</sup> OGRID Number 193003
<sup>3</sup> Property Code 10917		<sup>3</sup> API Number 30 - 025-09643
<sup>5</sup> Property Name Cooper Jal Unit		<sup>6</sup> Well No. 130

**7 Surface Location**

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	24-S	36-E		1650	SOUTH	1650	WEST	Lea

**8 Proposed Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>9</sup> Proposed Pool 1 JALMAT - 3,046'-3,400'						<sup>10</sup> Proposed Pool 2 LANGLIE MATTIX - 3,400'-3,790'			

<sup>11</sup> Work Type Code D	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code FEE	<sup>15</sup> Ground Level Elevation 3,320 K. B.
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 3,790'	<sup>18</sup> Formation TNSL-YTS-7RV-QUN, GBRG	<sup>19</sup> Contractor GREAT BASIN WELL SERVICE	<sup>20</sup> Spud Date Orig 04/15/54

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Objectives: Drill CIBP, Deepen Jalmat producer and complete as a DHC (Jalmat/Langlie Mattix) producer. Acidize and Fracture Stimulate.

1. Use Sentinel Manual BOP rated at 5,000 psig.
2. Drill CIBP at 3,385'. Deepen well from 3,550' to 3,790'.
3. Acidize Tansill, Yates, 7-Rivers, and Queen zones with 4,000 gallons and Fracture Stimulate with 120,000# 12/20 mesh sand.
4. Down hole commingle Jalmat and Langlie Mattix zones.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Domingo Carrizales*

Printed name: Domingo Carrizales

Title: Sr. Petroleum Engineer

E-mail Address: domingo@usdgresources.com

Date: 05/11/05

Phone: 432-580-8500

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title:

Approval Date:

Expiration Date:

\*Conditions of approval: Approval to do Remedial work to the Langlie Mattix, but CANNOT produce Downhole commingled until DHC is approved from Santa Fe.

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Avenue, Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

## State of New Mexico

Energy, Minerals &amp; Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-09643		<sup>2</sup> Pool Code 37240		Langlie Mattix: 0:1		<sup>3</sup> Pool Name Langlie Mattix: 7RVRS, Queen, GRBRG	
<sup>4</sup> Property Code 10917		<sup>5</sup> Property Name Cooper Jal Unit				<sup>6</sup> Well Number 130	
<sup>7</sup> OGRID No. 193003		<sup>8</sup> Operator Name SDG Resources L. P. P. O. Box 1390				<sup>9</sup> Elevation 3,320' K. B.	
		Montrose, CO 81402					

<sup>10</sup> Surface Location

UL or lot no. K	Section 24	Township 24S	Range 36E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 1650	East/West line WEST	County Lea
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	---------------

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="text-align: center;"> </div>	<sup>17</sup> OPERATOR CERTIFICATION			
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.			
	Signature			
Domingo Carrizales				
Printed Name				
Sr. Petroleum Engineer domingo@sdgresources.com				
Title and E-mail Address				
05/11/05				
Date				
<sup>18</sup> 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 belief.				
Date of Survey				
Signature and Seal of Professional Surveyor:				
Certificate Number				

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-09643
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> <u>Injector</u>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator SDG Resources L. P.		6. State Oil & Gas Lease No. 141560
3. Address of Operator P. O. Box 1390 Montrose, CO 81401		7. Lease Name or Unit Agreement Name Cooper Jal Unit
4. Well Location Unit Letter <u>K</u> : <u>1650</u> feet from the <u>SOUTH</u> line and <u>1650</u> feet from the <u>WEST</u> line Section <u>24</u> Township <u>24S</u> Range <u>36E</u> NMPM LEA County		8. Well Number 130
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,329' KB		9. OGRID Number 193003
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type <u>DIRT</u> Depth to Groundwater <u>130</u> feet Distance from nearest fresh water well <u>&gt;1000</u> feet Distance from nearest surface water <u>&gt;1000</u> feet		
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>200</u> bbls; Construction Material <u>Synthetic</u>		

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 ☐  
OTHER: Deepen, Add Perfs, Acidize and Fracture Stimulate. ☒

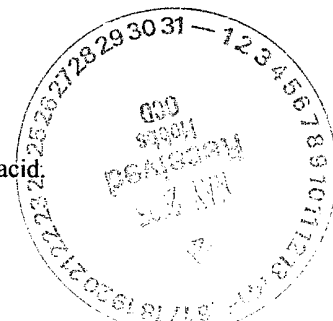
SUBSEQUENT REPORT OF:

- 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Objective: Deepen Jalmat producer from 3,550' to 3,790', add perfs, acidize, and fracture stimulate.

1. MIRU Pulling Unit. POOH with rods, pump and tubing string.
2. RIH with 4 3/4" bit & 6 - 3 1/2" drill collars on 2 7/8" work string.
3. Drill cement 3,385'. Deepen well to new TD at 3,790'. Lay down bit and drill collars.
4. RU Wireline Company. Run Compensated Neutron Log from TD to 2500'.
5. Add perfs: Yates, 7-Rivers and Queen. RIH with Perf-Clean Tool on 2 7/8" work string.
6. Acidize Perfs (3,046'-3,450') and open hole (3,470'-3,790') with 5,000 gallons 15% NEFE HCl acid.
7. POOH with 2 7/8" work string and lay down Perf-Clean Tool.
8. RIH with 5 1/2" Frac-Packer on 3 1/2" work string.
9. Fracture stimulate open hole with 40,000# sand and perforations with 80,000# 12/20 mesh sand.
10. POOH and lay down with 5 1/2" Frac-Packer and 3 1/2" work string.
11. Clean out well to new TD with sand bailer. Lay down bailer and 2 7/8" work string.
12. RIH 2 7/8" production string, pump and rods. Place well on production. Turn over to operations.
13. Fold Pit Liner inward, cover with 20 mil liner and cover with top soil. File Form C144 with NMOCD.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Domingo Canales TITLE Senior Petroleum Engineer DATE 5/11/2005

Type or print name  
For State Use Only

E-mail address: Domingo@sdgresources.com Telephone No. 432-850-8500

PETROLEUM ENGINEER

MAY 23 2005

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of Approval (if any): \_\_\_\_\_