

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

District I
1025 N. French Drive, 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 Department

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

RECEIVED

AUG 15 2005

OIL CONSERVATION DIVISION

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

Yes ☐ Single Well

Yes ☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☐ X ☐ Yes ☐ No

SDG Resources

P. O. Box 1390

Montrose, CO 81402

Operator

Cooper Jal Unit

209

Address

L 24 24-S 36-E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 193003 Property Code 29159 API No. 30-025-09635 Lease Type: ☐ Federal ☐ State ☐ Fee ☒ X

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	JALMAT		LANGLIE MATTIX
Pool Code	37240		37240
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3,040'-3,398'		3,460'-3,773'
Method of Production (Flowing or Artificial Lift)	Pumping		
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	35.7 Degree API		35.7 Degree API
Producing, Shut-In or New Zone	Producing		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12/13/04 Rates: 1/3/1	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 94 % Gas 71 %	Oil % Gas %	Oil 6% Gas 29 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ X ☐ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ X ☐ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒ X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☒ X

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Domingo Carrizales TITLE Sr. Petroleum Engineer DATE 8/10/05

TYPE OR PRINT NAME Domingo Carrizales TELEPHONE NO. (432) 580-8500

E-MAIL ADDRESS domingo@sdgresources.com

District I
1625 N. French Dr., Hobbs, NM 88240

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1301 W. Grand Avenue, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

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State of New Mexico
Energy, Minerals & 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

¹ API Number 30-025-09635	² Pool Code 33020	³ Pool Name JALMAT: YATES, 7RVRS
⁴ Property Code 10917	⁵ Property Name Cooper Jal Unit	⁶ Well Number 209
⁷ OGRID No. 193003	⁸ Operator Name SDG Resources L. P. P. O. Box 1390 Montrose, CO 81402	⁹ Elevation 3,342' K. B.

¹⁰ Surface Location

U/L or lot no. D	Section 24	Township 24S	Range 36E	Lot Idn	Feet from the 2080	North/South line SOUTH	Feet from the 660	East/West line WEST	County Lea
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¹¹ Bottom Hole Location If Different From Surface

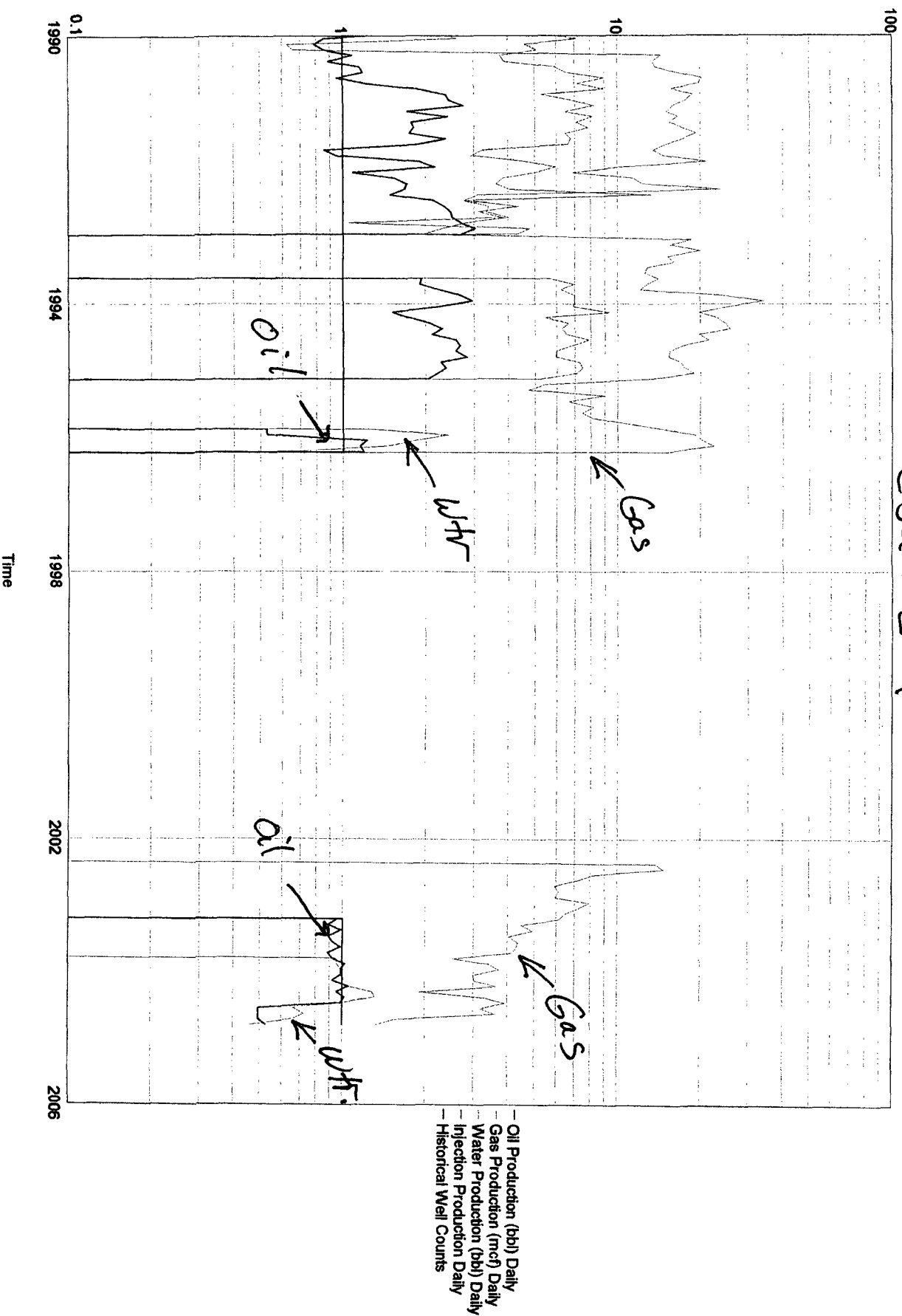
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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

					¹⁷ 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 8/09/05 Date
					¹⁸ 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

Lease Name: COOPER JAL UNIT
County, State: LEA, NM
Operator: SDG RESOURCES LIMITED PARTNERSHIP
Field: JALMAT
Reservoir: TANSILL-YATES-SEVEN
Location: 24 24S 36E

COOPER JAL UNIT - JALMAT
CSU # 209



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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised June 10, 2003

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

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address SDG Resources L. P. P. O. Box 1390 Montrose, CO 81402		² OGRID Number 193003
		³ Reason for Filing Code/ Effective Date Place on Production
⁴ API Number 30 – 025-09635	⁵ Pool Name Langlie Mattix	⁶ Pool Code 37240
⁷ Property Code 29159	⁸ Property Name: Cooper Jal Unit	⁹ Well Number 209

II. ¹⁰ Surface Location

UL or lot no. D	Section 24	Township 24S	Range 36E	Lot.Idn	Feet from the 2080	North/South Line SOUTH	Feet from the 660	East/West line WEST	County Lea
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code P	¹³ Producing Method ode P		¹⁴ Gas Connection Date		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
034053	Plains Marketing L. P. 10 Desta Dr. Ste. 200E Midland, TX 79705	2463710	O	J-24-24S-36E Battery
024650	Dynegy Midstream Services L. P. 6 Desta Dr. Ste. 3300 Midland, TX 79705	2806304	G	B-25-24S-36E (Satellite)
024650	Dynegy Midstream Services L. P. 6 Desta Dr. Ste. 3300 Midland, TX 79705	2806305	G	B-25-24S-36E (Satellite)
024650	Dynegy Midstream Services L. P. 6 Desta Dr. Ste. 3300 Midland, TX 79705	2815519	G	N-18-24S-37E (Vapor Recovery Unit)

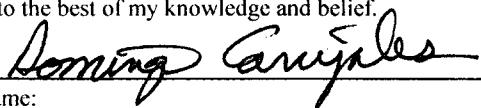
IV. Produced Water

²³ POD 2463750	²⁴ POD ULSTR Location and Description J-24-24S-36E, LEA NM
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V. Well Completion Data

²⁵ Spud Date 9/19/54	²⁶ Ready Date 10/05/54	²⁷ TD 3773'	²⁸ PBTD 3773'	²⁹ Perforations 3040'-3398'	³⁰ DHC, MC 3381
³¹ Hole Size 12 ½"	³² Casing & Tubing Size 8 5/8" – 29.75#, CF50	³³ Depth Set 1215'	³⁴ Sacks Cement 500 sx "C" w/CaCl2, CIRC		
7 7/8"	5 1/2" - 14#, WC50	3680'	500 sx POZ H w/6% gel, TOC @ 430'		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date 4/20/05	³⁸ Test Length 24 Hrs.	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil 1 BOPD	⁴³ Water 7 BWPD	⁴⁴ Gas 1 MCFPD	⁴⁵ AOF	⁴⁶ Test Method Test Separator
⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 			OIL CONSERVATION DIVISION		
Printed name: Domingo Carrizales			Approved by:		
Title: Sr. Petroleum Engineer			Approval Date:		
E-mail Address: domingo@sdgresources.com					
Date: 08/10/05		Phone: 432-580-8500			

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised June 10, 2003

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

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address SDG Resources L. P. P. O. Box 1390 Montrose, CO 81402		² OGRID Number 193003
		³ Reason for Filing Code/ Effective Date Place on Production
⁴ API Number 30 - 025-09635	⁵ Pool Name JALMAT	⁶ Pool Code 30820
⁷ Property Code 29159	⁸ Property Name: Cooper Jal Unit	⁹ Well Number 209

II. ¹⁰ Surface Location

UL or lot no. D	Section 24	Township 24S	Range 36E	Lot.Idn	Feet from the 2080	North/South Line SOUTH	Feet from the 660	East/West line WEST	County Lea
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code P	¹³ Producing Method ode P		¹⁴ Gas Connection Date		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

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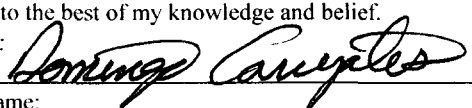
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³¹ Hole Size 12 1/2"	³² Casing & Tubing Size 8 5/8" - 29.75#, CF50	³³ Depth Set 1215'	³⁴ Sacks Cement 500 sx "C" w/CaCl2, CIRC		
7 7/8"	5 1/2" - 14#, WC50	3680'	500 sx POZ H w/6% gel, TOC @ 430'		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date 4/20/05	³⁸ Test Length 24 Hrs.	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil 17 BOPD	⁴³ Water 105 BWPD	⁴⁴ Gas 11 MCFPD	⁴⁵ AOF	⁴⁶ Test Method Test Separator
⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 			OIL CONSERVATION DIVISION		
Printed name: Domingo Carrizales			Approved by:		
Title: Sr. Petroleum Engineer			Title:		
E-mail Address: domingo@sdgresources.com			Approval Date:		
Date: 08/10/05		Phone: 432-580-8500			

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

WELL API NO.	30-025-09635
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No. NM0321613	
7. Lease Name or Unit Agreement Name LC0325928	
8. Well Number Cooper Jal Unit #209	
9. OGRID Number 193003	
10. Pool name or Wildcat JALMAT: Tansill, Yates & 7-Rivers; LANGLIE MATTIX: 7-Rivers, Queen & Grayburg	

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 ☐ Injector

2. Name of Operator

SDG Resources L. P.

3. Address of Operator

P. O. Box 1390
Montrose, CO 81402

4. Well Location

Unit Letter D; 2080 feet from the SOUTH line and 660 feet from the WEST line
Section 24 Township 24S Range 36E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,342' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type DIRT Depth to Groundwater 130 feet Distance from nearest fresh water well >1000 feet Distance from nearest surface water >1000 feet

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 200 bbls; Construction Material Synthetic

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: Recovered Fish, Deepened, Acidized & Frac'd. ☒

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: Recovered Fish, Deepened producer to 3,773'; completed as Jalmat/Langlie Mattix: acidized, and fracture stimulated.

1. MIRU Pulling Unit. POOH with rods, pump and tubing string.
2. RIH w/ 4 3/4" bit & 6 - 3 1/2" drill collars on 2 7/8" work string. Deepened well to new TD at 3,773'. Laid down bit & drill collars.
3. RU Wireline Company. Ran Compensated Neutron Log from TD to 2500'.
4. Perf Yates (3070'-3117'), 7-Rivers (3292'-3306'), 180 degree phasing, 2 JHPF, using 4" HSC gun. RD Wireline.
5. RIH with 5 1/2" packers on 2 7/8" work string.
6. Acidized open hole (3,681'-3,773'); perfs: 7-Rivers (3298'-3398') & Yates (3040'-3247'), with 5,000 gallons 15% NEFE HCl acid.
7. POOH with 2 7/8" work string.
8. RIH with 5 1/2" treating packer on 3 1/2" work string.
9. Fracture stimulate open hole (3681'-3773'); perfs 7-Rivers (3298'-3398') & Yates (3040'-3247') with 64,500# 12/20 mesh sand.
10. POOH and lay down 3 1/2" work string and packer.
11. Clean out well to new TD with sand bailer on 2 7/8" work string. 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.

COPY

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 Cangel TITLE Senior Petroleum Engineer DATE 8/10/05

Type or print name
For State Use Only

E-mail address: Domingo@sdgresources.com Telephone No. 432-580-8500

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

WELLBORE SCHEMATIC AND HISTORY

CURRENT COMPLETION SCHEMATIC		Cooper Jal Unit		WELL NO. 209																		
<p>Surface Csg</p> <p>Hole Size: 11 in Csg. Size: 8 5/8 in Set @: 1215 ft Sxs Cmt: 500 Circ: Yes TOC @: surf TOC by: circ</p>		<p>LEASE NAME: Cooper Jal Unit</p> <p>STATUS: Active Oil</p> <p>WELL NO. 209</p> <p>API#: 30-025-09635</p> <p>LOCATION: 2080 FSL & 700 FWL, Sec 24, T - 24S, R - 36E, Lee County, New Mexico</p> <p>SPUD DATE: 09/19/54 TD 3773 KB 3,342' DF</p> <p>INT. COMP. DATE: 10/05/54 PBD 3773 GL 3,329'</p>																				
		<p>ELECTRIC LOGS: GR-N from 0 - 3621' (10-5-54 PGAC)</p> <p>HYDROCARBON BEARING ZONE DEPTH TOPS:</p> <p>Yates @ 3040' Seven Rivers @ 3245' Queen @ 3,622'</p>																				
		<p>CORES, DST'S or MUD LOGS:</p>																				
		<p>CASING PROFILE</p> <p>SURF. 8 5/8" - 29.75# J-55 set@ 1215' Cmt'd w/500 sxs - circ cmt to surf. PROD. 5 1/2" - 14# J-55 set@ 3681' Cmt'd w/500 sxs - TOC @ 430' from surf. LINER None</p>																				
<p>Production Csg.</p> <p>Hole Size: 7 7/8 in Csg. Size: 5 1/2 in Set @: 3680 ft Sxs Cmt: 600 Circ: No TOC @: 430 f / surf TOC by: calc.</p> <p>PBTD: 3773 ft TD: 3773 ft</p>		<p>CURRENT PERFORATION DATA</p> <p>CSG. PERFS: Old Perfs: 3160 - 95' w/4 spf (144 holes total) 3224 - 47' w/4 spf (96 holes total) 3542 - 48' w/4 spf (28 holes) 3460', 69, 70, 82, 98, 3500', 3502', 3526', 3528', 3593', 3594', 3596' w/1 spf (12 holes total) 3623 - 29 w/4 spf (28 holes total)</p> <p>New Perfs: 7-Rivers: 3392'-3398', 3367'-3373', 3298'-3306' 1 JHPF, 20 holes Yates: 3117'-3125', 3080'-3105', 3040'-3070', 1 JHPF, 63', 62 holes.</p> <p>OPEN HOLE: 3680'-3773'</p>																				
		<p>TUBING DETAIL 6/16/2005</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Length (ft)</th> <th>Detail</th> </tr> </thead> <tbody> <tr> <td>3170</td> <td>102 2 7/8" J-55 6.5# Super Max tubing</td> </tr> <tr> <td>3</td> <td>1 2 7/8" x 5 1/2" TAC</td> </tr> <tr> <td>525</td> <td>18 2 7/8" J-55 6.5# Super Max tubing</td> </tr> <tr> <td>1</td> <td>1 2 7/8" S.N.</td> </tr> <tr> <td>4</td> <td>1 4' x 2 7/8" P.S.</td> </tr> <tr> <td>31</td> <td>1 2 7/8" x 31' OEMA</td> </tr> <tr> <td>3734</td> <td></td> </tr> </tbody> </table>			Length (ft)	Detail	3170	102 2 7/8" J-55 6.5# Super Max tubing	3	1 2 7/8" x 5 1/2" TAC	525	18 2 7/8" J-55 6.5# Super Max tubing	1	1 2 7/8" S.N.	4	1 4' x 2 7/8" P.S.	31	1 2 7/8" x 31' OEMA	3734			
		Length (ft)	Detail																			
		3170	102 2 7/8" J-55 6.5# Super Max tubing																			
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<p>WELL HISTORY SUMMARY</p> <p>05-Oct-54 Initial completion: Perf'd 3542'-48' w/ 4 spf (28 holes). Acid'd w/ 250 gals mud acid. Frac'd w/4,000 gals lse oil carrying 4,000#s sand. Refrac'd w/8,000 gals lse oil carrying 8,000#s sand. Perf'd 3623 - 29' w/4 spf (28 holes). Acid'd perfs 3623 - 29' below pkr w/ 500 gals and frac'd w/10,000 gals lse oil carrying 10,000#s sand. IP=9 bopd, 2 bwpd, & 105 Mcf/gpd.</p> <p>20-Jan-56 Set BP @3500'. Perf'd 3224 - 47' w/4 spf (96 holes). Acid'd perfs w/500 gals & Frac'd w/10,000 gals lse oil & 10,000#s sand. Set BP @ 3212'. Perf'd 3160 - 95' w/ 4 spf (144 holes). Acid'd perfs w/500 gals & Frac'd w/10,000 gals lse oil & 10,000#s sand. Remove BP @ 3212'. Placed well on production. IP=47 bopd, 0 bwpd, & 438 Mcf/gpd (flowing)</p> <p>11-Jul-60 Well Shut-in.</p> <p>08-Feb-74 Remove BP @ 3212' & C/O to 3660'. Perf'd 3460', 69, 70, 82, 98, 3500', 3502', 3526', 3528', 3593', 3594', 3596' w/1 spf (12 holes total). Acid'd w/1,250 gals 20% NEFE HCL. Frac'd perfs (3460 - 3629') below pkr @ 3395' w/30,000 gals gelled water carrying 18,000#s 10/20 sand & 31,000# 20/40 sand. Tagged fill @ 3590'. After WO: 31 bopd & 13 bwpd</p> <p>20-Mar-79 C/O fill from 3573 - 3607' (34'). Isolated & acid'd perfs 3160 - 3247' w/2,000 gals 15% NEFE HCL. Tst production from perfs 3160 - 3247' @ 21 bopd & 12 bwpd. Returned well to production. After WO: 32 bopd & 22 bwpd.</p> <p>22-Jan-87 Tagged fill @ 3638'.</p> <p>12-Oct-93 Replaced 1 jt tbg. Ran new pmp & rods. Returned well to production. (Cut paraffin out of tbg)</p> <p>22-Apr-97 LD rod string & pmp (124 - 3/4" & 18 - 7/8" rods). Bull plugged tbg & rigged down. Well TA'd (4-22-97).</p> <p>30-Oct-02 Made 2 attempts to recover SN & MAJ without success. Hydrotest in hole. Replaced polish rod the next day.</p> <p>07-Nov-02 Change out pump. Load & test well to 500 psig. Pumped up.</p> <p>21-Feb-03 Exchange a Lufkin 320 D with a Bethlehem 228 pumping unit. Left pumping.</p> <p>11-Mar-05 POOH scanaloging 2 3/8" tubing: 54 - blue, 36 - double green, 17 - single green and 8 - red. Fished and recovered SN and Perf Mud Anchor. Drilled float collar & shoe. RIH with 20 - 3 1/2" drill collars & 4 3/4" button bit. Deepen well to 3,773'. Ran Compensated Neutron log from 3,773' to 2,500'. Hydrotest 3 1/2" WS to 7,000#. Frac'd (Langite Matrix) Perfs (3460-3596') & open hole (3680'-3773') w/ 53,500# 12/20 mesh sand. Pmax= 4300#. A/R= 29 BPM. ISIP= 1090#. Perf 7-Rivers (3392'-3398'), 1 JHPF, 20 holes; Yates (3117'-3070'), 1 JHPF, 62 holes. Acidize 7-Rivers with 6 bbls - communicated. Set Pkr above Yates perfs, spot sand to 3140'. Acidize (3040'-3125') w/ 2,000 gals 15% & 110 ball sealers. Frac'd (Jalmat) Perfs Yates & 7 Rivers (3070'-3392') with slick water plus 11,000# 20/40 mesh sand. A/R= 25.4 bpm. Pavg= 1607#. ISIP= 980#. It took 2 days to cleaned out frac sand and POOH w/ frac packers. PWOP.</p> <p>12-May-05 POOH with rods, pump and tubing. Cleaned out with notched collar, using air foam unit from 3,754' to 3,773'. PWOP.</p> <p>15-Jun-05 POOH with rods and tubing, pump stuck in blast joint. RIH with tubing, pump and rods. PWOP.</p>																						

COPY

PREPARED BY: Larry S. Adams D. Carrizales UPDATED: 11-Jul-05

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

Form C-101
Revised June 10, 2003

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

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

¹ Operator Name and Address SDG Resources L. P. P. O. Box 1390 Montrose, CO 81402		² OGRID Number 193003
		³ API Number 30 - 025-09635
³ Property Code 10917	⁵ Property Name Cooper Jal Unit	⁶ Well No. 209

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
D	24	24-S	36-E		2080	SOUTH	660	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
⁹ Proposed Pool 1 JALMAT - 3,040'-3,398'						¹⁰ Proposed Pool 2 LANGLIE MATTIX - 3,460'-3,773'			

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code FEE	¹⁵ Ground Level Elevation 3,342' K. B.
¹⁶ Multiple No	¹⁷ Proposed Depth 3,773'	¹⁸ Formation TNSL-YTS-7RV-QUN	¹⁹ Contractor GREAT BASIN WELL SERVICE	²⁰ Spud Date Orig 9/19/54

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

²² 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: Deepen Jalmat producer and complete as a DHC (Jalmat/Langlie Mattix) producer. Acidize and Fracture Stimulate.

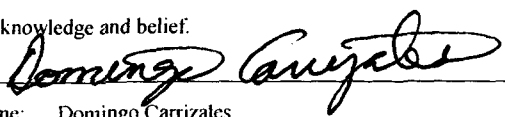
1. Use Sentinel Manual BOP rated at 5,000 psig.

2. Deepen well from 3,681' to 3,773'.

3. Acidize Tansill, Yates, 7-Rivers, and Queen zones with 2,000 gallons and Fracture Stimulate with 64,500# 12/20 mesh sand.

4. Down hole commingle Jalmat and Langlie Mattix zones.

COPY

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature:  Printed name: Domingo Carrizales Title: Sr. Petroleum Engineer E-mail Address: domingo@sdgresources.com Date: 8/09/05		OIL CONSERVATION DIVISION Approved by: Title: Approval Date: Expiration Date: Conditions of Approval: Attached <input type="checkbox"/>	
Phone: 432-580-8500			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 3015'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers 3222'	T. Devonian	T. Menefee	T. Madison
T. Queen 3583'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....3040'.....to..... 3247'.....

No. 3, from.....3623'.....to...3773'.....

No. 2, from.....3298'to.3596'.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from... Water sands were not apparent while drilling with Rotary. feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

COPY

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies 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 and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-025-09635 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> Fed State Oil & Gas Lease No. NM0321613
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>			7. Lease Name or Unit Agreement Name LC0325928		
b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>			8. Well No. Cooper Jal Unit # 209		
2. Name of Operator SDG Resources L. P.			9. Pool name or Wildcat JALMAT: Tansill, Yates & 7-Rivers; LANGLIE MATTIX: 7-Rivers & Queen		
3. Address of Operator P. O. Box 1390 Montrose, CO 81402					
4. Well Location Unit Letter <u>D</u> <u>2080</u> Feet From The <u>SOUTH</u> Line and <u>660</u> Feet From The <u>WEST</u> Line Section <u>24</u> Township <u>24-S</u> Range <u>36-E</u> NMPM LEA County					
10. Date Spudded 9/19/54	11. Date T.D. Reached 10/05/54	12. Date Compl. (Ready to Prod.) 12/18/54	13. Elevations (DF& RKB, RT, GR, etc.) 3,342' KB	14. Elev. Casinghead	
15. Total Depth 3,773'	16. Plug Back T.D. 3,773'	17. If Multiple Compl. How Many Zones? <u>2</u>	18. Intervals Drilled By	Rotary Tools Rotary Tools	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name Yates - 3040', Seven Rivers - 3245', Queen - 3622'					20. Was Directional Survey Made NO
21. Type Electric and Other Logs Run GRN				22. Was Well Cored NO	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	29.75	1215'	12 1/2"	500 sacks	
5 1/2 "	14	3,680'	7 7/8"	500 sacks	
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					2 7/8"
					3734'
26. Perforation record (interval, size, and number) Queen: Open Hole 3680'-3773' Seven Rivers: Perfs (3298'-3596') Yates: Perfs (3040'-3247')			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED L. M. 3460'-3773' 28,800 gals X-L Fluid + 53,500# 16/30 mesh sd Jalmat 3040'-3398' 1,000 gals 15% NEFE acid Jalmat 3040'-3398' Slick Water Frac w/ 40,000 gals+11,000# 20/40		
28. PRODUCTION					
Date First Production April 13, 2005		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping - Progressive Cavity Pump		Well Status (Prod. or Shut-in) Producer	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF
April 20, 2005	24 hours	N/A			
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.
	15 psig		18	12.	112
					Oil Gravity - API - (Corr.) 35.7
29. Disposition of Gas (Sold, used for fuel, vented, etc.)					Test Witnessed By
30. List Attachments <div style="font-size: 4em; opacity: 0.5; transform: rotate(-15deg); display: inline-block;">COPY</div>					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief					
Signature			Printed Name Domingo Carrizales Title Sr. Petroleum Engineer Date 08/10/05		
E-mail Address Domingo@sdgresources.com					