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

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

Form C-103
May 27, 2004

WELL API NO. 30-025-11137

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No. NM0321613

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.)

7. Lease Name or Unit Agreement Name: Cooper Jal Unit

1. Type of Well: Oil Well ☒ Gas Well ☐ Other Injector

8. Well Number 106

2. Name of Operator: SDG Resources L. P.

9. OGRID Number 193003

3. Address of Operator: P. O. Box 1390, Montrose, CO 81401

10. Pool name or Wildcat JALMAT: Tansill, Yates & 7-Rivers; LANGLIE MATTIX: 7-Rivers, Queen & Grayburg

4. Well Location
Unit Letter H : 1980 feet from the NORTH line and 660 feet from the EAST line
Section 18 Township 24S Range 37E NMPM LEA County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3,302' 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

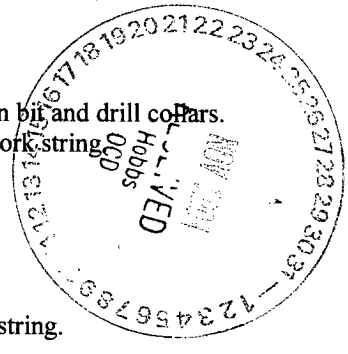
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: Deepen, Acidize and Fracture Stimulate. ☒		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 producer from 3,587' to 3,790'and complete as DHC Jalmat/Langlie Mattix: acidize, and fracture stimulate.

1. MIRU Pulling Unit. POOH with rods, pump and 2 7/8" tubing string.
3. RIH with 4 ¾" bit & 6 - 3 ½" drill collars on 2 7/8" work string.
4. Drill out cement and CIBP at 3,300'. POOH with 4 ½" perforated liner.
5. RIH with 4 ¾" bit & 6 – 3 ½" drill collars. Deepen well from 3,587' to new TD at 3,790'. Lay down bit and drill collars.
6. RU Wireline. Run Compensated Neutron from TD to 2500'. RIH with Perf-Clean Tool on 2 7/8" work string.
7. Acidize perfs (2,958'-3074') & OH (3,587'-3,790') with 5,000 gallons 15% NEFE HCl acid.
8. POOH with 2 7/8" work string and lay down Perf-Clean Tool.
9. RIH with 5 ½" treating packer on 3 ½" work string.
10. Fracture stimulate open hole with 80,000# 12/20 sand and perforations with 40,000# 12/20 sand..
11. POOH and lay down 3 ½" work string and packer.
12. Clean out well to new TD with sand bailer on 2 7/8" work string. Lay down bailer and 2 7/8" work string.
13. RIH 2 7/8" production string, pump and rods. Place well on production. Turn over to operations.
14. Fold Pit Liner inward, cover with 20 mil liner and cover with top soil. File Form C144 with NMOCD.



Approval Pending DHC order

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 Gonzales TITLE Senior Petroleum Engineer DATE 11/23/04

Type or print name E-mail address: Domingo@sdgresources.com Telephone No. 432-550-7580

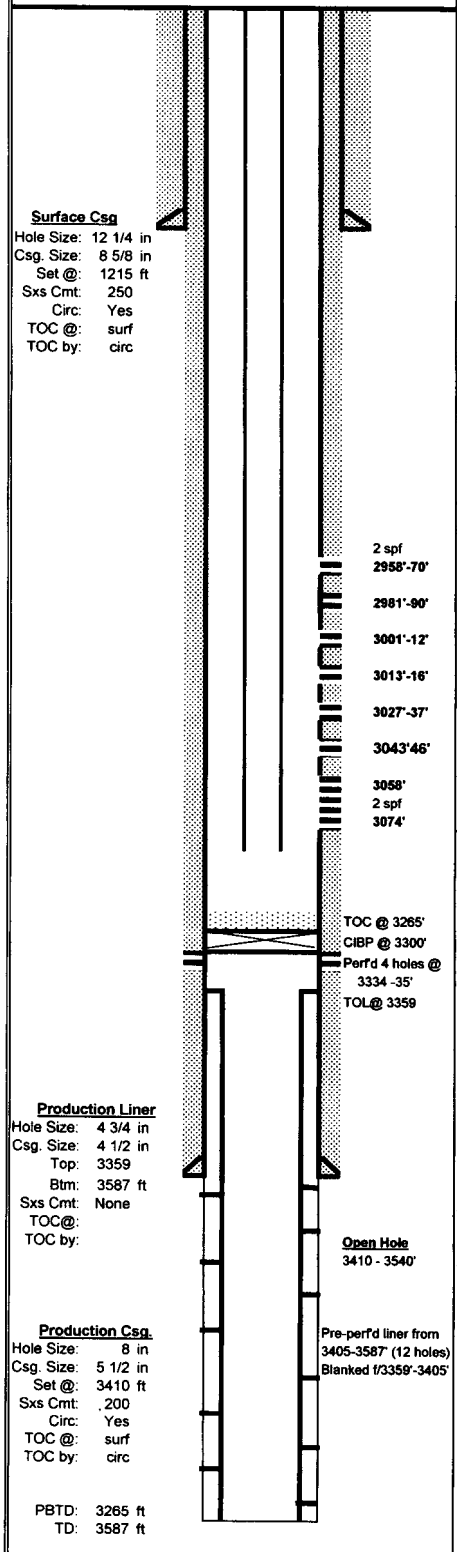
For State Use Only

APPROVED BY: TITLE PETROLEUM ENGINEER DATE NOV 29 2004

Conditions of Approval (if any):

WELLBORE SCHEMATIC AND HISTORY

CURRENT COMPLETION SCHEMATIC



LEASE NAME	**Cooper Jal Unit**					WELL NO.	**106**
STATUS:	Active		Gas			API#	30-025-11137
LOCATION:	1980 FNL & 660 FEL, Sec 18, T - 24S, R - 37E; Lee County, New Mexico						
SPUD DATE:	04/02/46	TD	3587	KB	3,302'	DF	3,301'
INT. COMP. DATE:	05/26/46	PBTD	3265	GL	3,204'		

GEOLOGICAL DATA

ELECTRIC LOGS:

GR-CCL-MSG-CBL from 3188 - 2900' (3-21-96 Halliburton)

CORES, DST'S or MUD LOGS:

HYROCARBON BEARING ZONE DEPTH TOPS:

Yates @ 2915'
Seven Rivers @ 3350'

CASING PROFILE

SURF.	8 5/8" - 28#, J-55 set@ 1215' Cmt'd w/250 sxs - circ cmt to surf.
PROD.	5 1/2"- 14#, J-55 set@ 3410' Cmt'd w/200 sxs - circ cmt to surf.
LINER	4 1/2"- 16.6#, FJ liner set from 3359 - 3587' w/12 - 3/8" holes from 3405 - 3587. Not cmt'd.

CURRENT PERFORATION DATA

CSG. PERFS:

2958 -70', 2981 - 90', 3001 - 12', 3013 -16', 3027 - 37', 3043 - 46', 3058 - 74' w/ 2 spf (142 - 0.46" dia holes)

OPEN HOLE :
3410 - 3540'
Isolated w/ CIBP @3300'

TUBING DETAIL 3/25/1997 **ROD DETAIL**

Length (ft)	Detail
2920	93 jts - 2 3/8" 4.7#, J-55, 8rd EUE tbg.
3	1- 2 3/8" x 5 1/2" TAC
190	6 jts - 2 3/8" 4.7#, J-55, 8rd EUE tbg.
1	1 - 2 3/8" OD - S.N.
28	1 - 2 3/8" 8rd, EUE, J-55 slotted & orage peeled MA
3141	btm

WELL HISTORY SUMMARY

19-May-46	Initial completion interval: 3410'-3587', shot with 300 qts nitro. **IP=96 bopd, 0 bwpd; GOR=1125 (flowing)**
1-Mar-54	C/O fill from 3455 - 3540'
18-Aug-54	C/O fill from 3526 - 80'. **Perf'd 4 holes from 3334 - 35'** & tst w/stradle pkr - had weak blow & rec. 15' oil.
	Set 4 1/2", 16.6# FJ liner w/12 - 3/8" holes from 3405 - 3587' and blank pipe from 3359 - 3405'. Did not cmt liner.
	After WO: 11 bopd
6-Oct-54	Frac'd OH w/5,000 gals Dowell Petrofrac & 10,000#'s sand
8-Aug-57	C/O fill from 3569 - 3587'
20-Mar-96	POOH L/D prod equipment. Set CIBP @ 3300' & dmp 35' cmt on top. PBTD @ 3265'. Ran DSN-CBL from 3300 - 2300'. Good cmt to 2500'. **Perf'd (Jalmat) 3074'-58' w/2 spf (34 -0.46" dia holes).** Well flowing after perf'd. **0 bopd, 27 bwpd, 120 Mcfgpd** with 800 psi FTP on 17/64" ck. Killed well to recover perforating guns. **Perf'd 2958 -70', 2981 - 90', 3001 - 12', 3013 -16', 3027 - 37', 3043'-46' W/ 2 spf (108 -0.43" dia holes).** Acdz'd perf's 2958'-3074' w/5,000 gals 15% NEFE HCL & 200 - 7/8" RCN ball sealers. Good ball action. PM=2070 - 570 psig. AIR=7 bpm. ISIP=vac. Flow test well for 21 days. **Test = 0 bwpd, 0 bopd, 932 - 219 Mcfgpd.** Frac'd perfs (Jalmat) 2958 -3074' w/76,902 gals 50/50 quality CO2 w/386,120#'s 12/20 Brady sand. PM=5008 - 2782 psi. AIR= 45 bpm. ISIP= 1771 psi, P15min=1661 psi. C/O sand from 3024 - 3265' (PBTD). PU & Wait. Retag @ 3245'(20' of fill) TIH w/ 2 3/8" tbg w/SN btm tbg @ 2989'. Placed well on production. **After WO: 0 bwpd, 0 bopd, & 427 Mcfgpd. FTP=80 psi.**
25-Feb-97	Tagged fill @ 3232' (33' of fill). Did not C/O. Returned well to production.
27-Jun-97	POOH and LD rods & pmp.
18-Apr-01	Swab tbg. No FL found. Pmp 12 bbls acid & 10 bbls flush. WOA 1 hr. Made 5 swab runs. Swab tbg dry. Placed well on prod.
1-Oct-02	Swabbed well to SN. Recovered 1 .5 bbls milky emulsion. Made 3 more runs (4 .4 bbls) 95% water.
24-Jan-04	Pumped 75 bbls of hot water w/2 1/2 gals of emulsifier breaker down casing. Swabbed from 2880' to 3100' - 35 bbls. PWOP.

PREPARED BY:	Larry S. Adams	D. Carrizales	UPDATED:	08-Apr-04