

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3180-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator SDG Resources L. P.

3a. Address
P. O. Box 1390 Montrose, CO 81401

3b. Phone No. (include area code)
432-550-7580

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310 feet FNL, 1650 feet FWL Sec 19, Township 24S, Range 37E

5. Lease Serial No.
NM 0321613

NM 12612

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Cooper Jal Unit

NM 70962X

8. Well Name and No.
208

9. API Well No.

30-025-44437-11158

10. Field and Pool, or Exploratory Area
JALMAT / LANLIE MATTIX

11. County or Parish, State

LEA

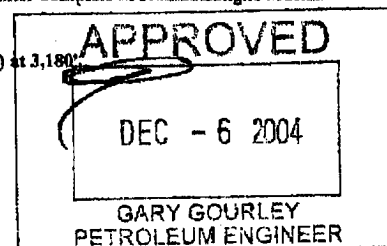
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other Deepen and acidize
			Fracture Stimulate

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Objective: Deepen Jalmat producer from 3,340' to 3,790', add perforations, acidize and fracture stimulate. Complete as Jalmat/Langlie Mattix.

1. MIRU Pulling Unit. POOH with rods, pump and tubing sting.
2. RIH with 4 3/4" bit & 6 - 3 1/2" drill collars on 2 7/8" work string. Fish Global Basket (4 3/4" x 9") at 3,180'.
3. 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. RIH with Perf-Clean Tool on 2 7/8" work string.
6. Acidize open hole (2,956'-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 3 1/2" treating packer on 3 1/2" work string.
9. Fracture stimulate open hole with 120,000# 12/20 mash sand in 4 stages. Divert with rock salt.
10. POOH and lay down 3 1/2" work string.
11. Clean out well to new TD with sand bailer. Lay down bailer and 2 7/8" work sting.
12. RIH with 2 7/8" production sting, 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 NMOC.



APPROVED FOR 3 MONTH PERIOD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Domingo Carrizales

ENDING

12-3-6-05

Title Sr. Petroleum Engineer

Signature

Domingo Carrizales

Date

11/29/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GWW

WELLBORE SCHEMATIC AND HISTORY																																																																																																			
CURRENT COMPLETION SCHEMATIC		LEASE NAME Cooper Jal Unit																																																																																																	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Surface Cas</p> <p>Hole Size: 12 1/4 in</p> <p>Csg. Size: 10 3/4 in</p> <p>Set @: 304 ft</p> <p>Sxs Cmt: 75</p> <p>Circ: Yes</p> <p>TOC @: surf</p> <p>TOC by: circ</p> </div> <div style="width: 45%; text-align: right;"> <p>TOC @ 750' by calc.</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>Production Liner</p> <p>Hole Size: 6 3/4 in</p> <p>Csg. Size: 5 1/2 in</p> <p>Top: surface</p> <p>Btm: 2827 ft</p> <p>Sxs Cmt: 275</p> <p>Circ: Yes</p> <p>TOC @: surface</p> <p>TOC by: circ.</p> </div> <div style="width: 45%; text-align: right;"> <p>TOC @ 2120' By Calc.</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>Production Cas.</p> <p>Hole Size: 8 3/4 in</p> <p>Csg. Size: 7 in</p> <p>Set @: 2956 ft</p> <p>Sxs Cmt: 200</p> <p>Circ: No</p> <p>TOC @: 1740 f / surf.</p> <p>TOC by: calc.</p> </div> <div style="width: 45%; text-align: right;"> <p>OH Interval 2956 - 3169'</p> <p>Fill at 3102'</p> <p>TOF @ 3169' 4 3/4" x 8" Global Basket</p> </div> </div> <p style="text-align: center; margin-top: 20px;">PSTD: 3340 ft TD: 3340 ft</p> <p style="text-align: center; margin-top: 10px;">OH ID: 6 1/4 in</p>		<p>STATUS: Active Oil</p> <p>LOCATION: 2310 FNL & 1850 FWL, Sec 19, T - 24S, R - 37E, Lea County, New Mexico</p> <p>SPUD DATE: TD 3340 KB 3,310' DF</p> <p>INT. COMP. DATE: 05/08/60 PSTD 3340 GL 3,293'</p> <p style="text-align: center; background-color: #f2f2f2;">GEOLOGICAL DATA</p> <p>ELECTRIC LOGS: None Listed</p> <p style="text-align: center; background-color: #f2f2f2;">HYDROCARBON BEARING ZONE DEPTH TOPS:</p> <p>Tansill @ 2956'</p> <p>Yates @ 3008'</p> <p style="text-align: center; background-color: #f2f2f2;">CASING PROFILE</p> <p>SURF. 10 3/4" - 40#, J-55 set @ 304' Cmt'd w/75 sxs - circ cmt to surf.</p> <p>PROD. 7" - 20#, J-55 set @ 2956' Cmt'd w/200 sxs - TOC @ 1740' f surf by calc. DV tool @ 1319' - pmp 100 sxs - TOC @ 750' f surf by calc.</p> <p>LINER 5 1/2" - 15.35#, K-55 set from surface - 2827'. Cmt'd w/275 sxs - circulated cmt to surface.</p> <p style="text-align: center; background-color: #f2f2f2;">CURRENT PERFORATION DATA</p> <p>CSG. PERFS: OPEN HOLE : 2956 - 3169'</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <table border="1" style="width: 48%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; background-color: #f2f2f2;">TUBING DETAIL</th> <th colspan="2" style="text-align: center; background-color: #f2f2f2;">6/29/2004</th> <th colspan="2" style="text-align: center; background-color: #f2f2f2;">Detail</th> </tr> <tr> <th style="text-align: left;">Length (ft)</th> <th></th> <th></th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>2703</td> <td>87</td> <td>2 3/8" 4.7#, J-55, 8rd EUE tbg.</td> <td></td> <td>14</td> <td>1</td> </tr> <tr> <td>3</td> <td>1</td> <td>5 1/2" x 2 3/8" TAC</td> <td></td> <td>12</td> <td>2</td> </tr> <tr> <td>310</td> <td>10</td> <td>2 3/8" 4.7#, ICO 505 IPC, J-55, 8rd</td> <td></td> <td>1025</td> <td>41</td> </tr> <tr> <td>1</td> <td>1</td> <td>2 3/8" SN</td> <td></td> <td>1800</td> <td>72</td> </tr> <tr> <td>32</td> <td>1</td> <td>2 3/8" Mud Anchor</td> <td></td> <td>150</td> <td>6</td> </tr> <tr> <td>3049</td> <td></td> <td></td> <td></td> <td>1</td> <td>1</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>16</td> <td>1</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>3018</td> <td></td> </tr> </tbody> </table> <table border="1" style="width: 48%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; background-color: #f2f2f2;">ROD DETAIL</th> <th colspan="2" style="text-align: center; background-color: #f2f2f2;">6/30/2004</th> </tr> <tr> <th style="text-align: left;">Length (ft)</th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>1</td> <td>1 - 16' x 1 1/4" polish rod w/10' - 1 1/2" polish rod liner</td> </tr> <tr> <td></td> <td></td> <td>2</td> <td>8' x 6" - 7/8" D polyrods</td> </tr> <tr> <td></td> <td></td> <td>41</td> <td>42 - 7/8" D rods</td> </tr> <tr> <td></td> <td></td> <td>72</td> <td>72 - 3/4" D rods</td> </tr> <tr> <td></td> <td></td> <td>6</td> <td>8 - 1 1/4" sucker bars</td> </tr> <tr> <td></td> <td></td> <td>1</td> <td>1" x 1' Spiral Guide</td> </tr> <tr> <td></td> <td></td> <td>1</td> <td>2" x 1 1/4" x 16' HHBC rod pump w/10' GA</td> </tr> </tbody> </table> </div> <p style="text-align: center; margin-top: 10px;">TAC at 2703' w/ 18,000# Tension</p>		TUBING DETAIL		6/29/2004		Detail		Length (ft)						2703	87	2 3/8" 4.7#, J-55, 8rd EUE tbg.		14	1	3	1	5 1/2" x 2 3/8" TAC		12	2	310	10	2 3/8" 4.7#, ICO 505 IPC, J-55, 8rd		1025	41	1	1	2 3/8" SN		1800	72	32	1	2 3/8" Mud Anchor		150	6	3049				1	1					16	1					3018		ROD DETAIL		6/30/2004		Length (ft)						1	1 - 16' x 1 1/4" polish rod w/10' - 1 1/2" polish rod liner			2	8' x 6" - 7/8" D polyrods			41	42 - 7/8" D rods			72	72 - 3/4" D rods			6	8 - 1 1/4" sucker bars			1	1" x 1' Spiral Guide			1	2" x 1 1/4" x 16' HHBC rod pump w/10' GA
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		<p>9-May-50 Initial completion 2956 - 3169' (Yates OH). No stimulation. IP=108 bopd, 0 bwpd, & 200 Mbfppd (flowing) FTP=600 psi.</p> <p>5-Jan-73 Swabbed well.</p> <p>16-Jan-73 Installed Rod pumping system. Tagged fill @ 3100'. No C/O.</p> <p>6-May-75 C/O fill from 3080 - 3169' (109').</p> <p>8-Apr-78 C/O fill from 3000 - 3169' (168'). Add'd OH w/1,500 gals & Frac'd w/30,000 gals carrying 30,000#s 20/40 sand & 9,000#s 10/20 sand.</p> <p>27-Apr-88 C/O fill from 3034 - 3169' (133').</p> <p>8-Aug-88 Isolated leak in 7" csg from 295 - 740'. Perforated holes in csg from 800 - 734'. Cmt sq'd bad 7" csg from 2985 - 734' w/110 sxs.</p> <p>10-Oct-88 Installed 5 1/2" liner from surface to 2827' and cmt'd in-place. C/O & sidejet OH to 3167'. Add'd OH w/5,000 gals 2% MA.</p> <p>21-Feb-89 C/O fill from 3124 - 3167' (43'). After WO: 33 bopd, 42 bwpd, & 9 Mbfppd.</p> <p>20-Dec-93 C/O fill & bridges from 3040 - 3169' (129'). Deeped w/ 4 3/4" bit to 3340'. Left fish in hole w/TOF @ 3174'. (Fish is 4 3/4" x 9" globe basket). Returned well to production.</p> <p>After WO: 12 bopd, 83 bwpd, & 25 Mbfppd.</p> <p>18-Feb-94 Repaired rod part. Changed out 87 - 3/4" rod boxes & pmp. Returned well to production.</p> <p>24-Feb-94 Repaired rod part. Changed out 1 - 3/4" rod box. Returned well to production.</p> <p>2-Mar-94 Rod part. Replaced 62 rods and all rod boxes. Test bkg to 500 psi. OK. Returned well to production.</p> <p>22-Apr-94 Replaced rod pmp.</p> <p>16-May-94 Replaced 2 jls tbg. Returned well to production.</p> <p>1-Feb-00 Replaced 1 jls tbg. Returned well to production.</p> <p>21-Oct-02 Pull out of hole with rods, pump, & tubing. Hydrotest tubing in hole, laid down 41 bad jls. Placed on pump.</p> <p>29-Jun-04 P.OOH and laid down 7- 7/8" D and 37 - 3/4" K rods due to severe pitting. Laid down all 7/8" D rods due to H2S environment. Tagged fill at 3102'. Hydrotest tubing in hole to 6000# - burst 81st and 86th joints, collar leak on 65th joint. RH with pump and rods. PWOP.</p>																																																																																																	
		<p>PREPARED BY: Larry S. Adams D. Carrizales</p>																																																																																																	
		<p>UPDATED: 07-Jul-04</p>																																																																																																	

Submit 3 Copies To Appropriate District

State of New Mexico

Form C-103

Office

rgy, Minerals and Natural Resources

May 27, 2004

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

ELL API NO.

30-025-11137 11198

5. Indicate Type of Lease

STATE ☐ FEE ☐ Fed ☒

6. State Oil & Gas Lease No.

NM0321613

7. Lease Name or Unit Agreement Name

Cooper Jal Unit

8. Well Number 208

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 81401

4. Well Location

Unit Letter P : 2310 feet from the NORTH line and 1650 feet from the WEST line

Section 19 Township 24S Range 37E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3,310' 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: Deepen, Acidize and Fracture Stimulate. Pit ☒

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 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.
2. Recover Fish (4 3/4" x 9" Global Basket). RIH with 4 3/4" bit & 6 - 3 1/2" drill collars on 2 7/8" work string.
3. RIH with 4 3/4" bit & 6 - 3 1/2" drill collars. Deepen well from 3,340' to new TD at 3,790'. Lay down bit and drill collars.
4. RU Wireline. Run Compensated Neutron from TD to 2500'. RIH with Perf-Clean Tool on 2 7/8" work string.
5. Acidize Open Hole (2,956'-3,790') with 5,000 gallons 15% NEFE HCl acid.
6. POOH with 2 7/8" work string and lay down Perf-Clean Tool.
7. RIH with 5 1/2" treating packer on 3 1/2" work string.
8. Fracture stimulate open hole with 120,000# 12/20 sand. Divert in 4 stages using rock salt.
9. POOH and lay down 3 1/2" work string and packer.
10. Clean out well to new TD with sand bailer on 2 7/8" work string. Lay down bailer and 2 7/8" work string.
11. RIH 2 7/8" production string, pump and rods. Place well on production. Turn over to operations.
12. 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 Carrizosa

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: Larry W. Wink

OC FIELD REPRESENTATIVE II/STAFF MANAGER

Conditions of Approval (if any):

DEC 28 2004