

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 204-12612 LC-032715
2. Name of Operator SDG Resources L P		6. If Indian, Allottee or Tribe Name
3a. Address P. O Box 1390 Montrose, CO 81401	3b. Phone No. (include area code) 432-550-7580	7. If Unit or CA/Agreement, Name and/or No. Cooper Jal Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' from SOUTH Line and 990' from WEST Line, 19, 24S, 37E		8. Well Name and No. 150
		9. API Well No. 30-025-11159
		10. Field and Pool, or Exploratory Area JALMAT & Langlie Mattix
		11. County or Parish, State LEA

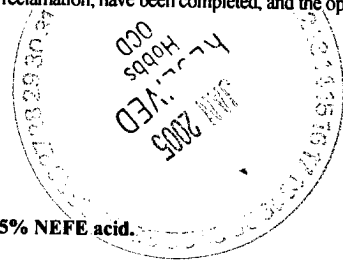
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input 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 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 checked="" type="checkbox"/> Other Drill CIBP and DHC
			Langlie Mattix with
			Jalmat

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: Drill out CIBP and DHC Langlie Mattix with cureent Jalmat producer.

1. MIRU Pulling Unit. POOH with rods, pump and tubing string.
2. RIH with 4 3/4" bit and 6 - 3 1/2" drill collars on 2 7/8" work string.
3. Drill out Cement and CIBP at 3,300' and clean out 3762'.
4. RU Wireline. Perforate lower Yates.
5. RU Perf-Clean Tool on 2 7/8" work sting.
6. Wash and Acidize open hole (3,350'-3,762') and Perfs (2,995'-3,090') with 5,000 gallons 15% NEFE acid.
7. POOH with 2 7/8" work string and lay down Perf-Clean Tool.
8. RIH with 5 1/2" treating packer on 3 1/2" work string.
9. Fracture stimulate open hole with 120,000# 12/20 mesh sand in 4 stages. Divert with rock salt.
10. POOH and lay down 3 1/2" work string.
11. Clean out well to new PBTD with sand bailer. Lay bailer and 2 7/8" work string.
12. RIH with 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.



**SUBJECT TO
LIKE APPROVAL
BY NMOCD**

DHC = R-5590

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Domingo Carrizales		Title Sr. Petroleum Engineer	
Signature <i>Domingo Carrizales</i>		Date Jan. 3, 2005	
ACCEPTED FOR RECORD			
(ORIG. SGD.) DAVID R. GLASS			
Approved by DAVID R. GLASS		Title DAVID R. GLASS	
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.		Date	
Title 18 U.S.C. Section 1001 and Title 18 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.		Office	

(Instructions on page 2)

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WELLBORE SCHEMATIC AND HISTORY

CURRENT COMPLETION SCHEMATIC		LEASE NAME		Cooper Jal Unit		WELL NO.	
<p>Surface Csg</p> <p>Hole Size: 12 1/4 in</p> <p>Csg. Size: 8 5/8 in</p> <p>Set @: 314 ft</p> <p>Sxs Cmt: 175</p> <p>Circ: Yes</p> <p>TOC @: surf</p> <p>TOC by: circ</p>		STATUS: Active		Oil		API# 30-025-11159	
		LOCATION: 1650 FSL & 990 FWL, Sec 19, T - 24S, R - 37E; Lee County, New Mexico					
		SPUD DATE: 11/01/48 TD 3824		KB 3,298'		DF	
		INT. COMP. DATE: 12/03/48 P8TD 3695		GL 3,284'			
		GEOLOGICAL DATA					
<p>Production Csg.</p> <p>Hole Size: 7 7/8 in</p> <p>Csg. Size: 5 1/2 in</p> <p>Set @: 3350 ft</p> <p>Sxs Cmt: 450</p> <p>Circ: No</p> <p>TOC @: 2126 f / surf.</p> <p>TOC by: TS</p>		ELECTRIC LOGS:		CORES, DST'S or MUD LOGS:			
		E-Log from 0 - 3821' (12-4-48 Schlumberger)		Ten (10) DST's from 2945 - 3824' - details unknown			
		GR-N (3-21-50 Lane Wells)					
		GR-CCL (7-12-95 Halliburton)					
		GR-CCL (6-10-99 Schlumberger)					
<p>OH Interval</p> <p>3350 - 3695'</p>		HYDROCARBON BEARING ZONE DEPTH TOPS:					
		Yates @ 2970'					
		Seven Rivers @ 3220'					
		Queen @ 3619'					
<p>TOC @ 2126'</p> <p>By TS</p>		CASING PROFILE					
		SURF. 8 5/8" - 32#, set @ 314' Cmt'd w/175 sxs - circ cmt to surf.					
		PROD. 5 1/2" - 14#, J-55 set @ 3350' Cmt'd w/450 sxs - TOC @ 2126' from surface by Temp Survey.					
		LINER None					
		CURRENT PERFORATION DATA					
<p>TOC @ 2126'</p> <p>By TS</p>		CSG. PERFS:		OPEN HOLE :			
		3100 - 90' w/ 4 spf (360 holes total) 3040 - 55' w/ 4 spf (60 holes total - .46" dia.) 3350 - 3695' Isolated w/ CIBP					
		3085 - 3100' w/ 4 spf (60 holes tota 2995 - 3028 w/ 2 spf (68 holes total - .42" dia. , 120 deg phasing)					
<p>TOC @ 2126'</p> <p>By TS</p>		TUBING DETAIL		ROD DETAIL			
		5/28/2004		5/28/2004			
		Length (ft) Detail		Length (ft) Detail			
		2977 94 2 7/8" 4.7#, J-55, 8rd EUE tbg.		22 1 26' x 1 1/4" polish rod w/12' - 1 1/2" polish rod liner			
		3 1 5 1/2" x 2 7/8" TAC		8 1 8' x 7/8" D pony rod			
<p>TOC @ 2126'</p> <p>By TS</p>		124 4 2 3/8" 4.7#, J-55, 8rd EUE tbg.		1300 52 7/8" Steel D rods			
		1 1 2 3/8" SN		1675 67 3/4" Steel D rods			
		28 1 3 1/2" Mud Anchor		100 4 1 1/4" sinker bars			
		3133 blm		19 1 2 1/2" x 2" X 19' HHBC (No RH release)			
				3124			
<p>TOC @ 2126'</p> <p>By TS</p>		SN @ 3104' TAC @ 2977'					
<p>TOC @ 2126'</p> <p>By TS</p>		WELL HISTORY SUMMARY					
		3-Dec-48 Set cmt plug from 3824 - 3695' (P8TD). Perf'd 3100 - 3190' and acdz'd w/500 gals MA & 2,000 gals 15% HCL (Very low fluid entry). Perf'd 3085 - 3100' and did not stimulate. Flowed 32 bo in 24 hrs.					
		9-Jul-54 Producing 50 bopd & 15 bwpd					
		21-Mar-56 Ran Lane Wells GR-N log. Fraced w/10,000 gals lse oil & 10,000#s sand. Flowed 30 bopd w/GOR=10,619.					
		22-Oct-73 C/O fill from 3210 - 3318'. D/O cmt from 3318 - 3350 & OH from 3350 - 3450'. Jet washed OH from 3440 - 3850' w/3000 gals 20% acid. After WO: 23 bopd & 3 bwpd					
<p>TOC @ 2126'</p> <p>By TS</p>		6-Jul-74 Producing 50 bopd & 10 bwpd					
		17-Dec-74 Producing 48 bopd & 6 bwpd					
		3-Apr-75 Producing 43 bopd & 9 bwpd					
		25-May-75 C/O fill from 3480 - 3690'. Frac'd w/40,000 gals gelled wtr. Carrying 37,000#s 20/40 sand & 10,000#s 10/20 sand. C/O 40' of fill to 3690'. Placed well on production. After WO: 124 bopd & 66 bwpd.					
		5-Aug-77 Ran isolation tests on zones for 3 days - pkr @ 3249'. Langlie Mattix = 52 bopd & 52 bwpd. Jaimet zone = 23 bopd & 44 bwpd.					
<p>TOC @ 2126'</p> <p>By TS</p>		16-Mar-78 U.S.G.S. approved downhole commingling application and well number changed from 214 to number 150.					
		5-Jan-79 Producing 67 bopd & 105 bwpd					
		20-Aug-87 C/O fill to 3693'.					
		12-Jul-95 Set CIBP @ 3070'. Perf'd 3040 - 55' w/ 4 spf (60 holes total - .46" dia.). Frac perfs w/ 65,600 gals X-L gel carrying 221,500#s 12/20 Brady sand. AIR=40 bpm @ 2400 psi. ISIP = 948 psi. C/O encountering major fishing operation to 3060'. Placed well on production. After WO: 62 bopd, 73 bwpd & 26 Mcfgpd.					
		9-Jun-99 Ran GR-CCL rom 3100 - 2100'. Perf'd 2995 - 3028 w/ 2 spf (68 holes total - .42" dia. , 120 deg phasing). Acid wash perfs 2995-3055' w/3,000 gals 15% NEFE HCL and sonic hammer. Acdz (Yates) perfs 2995 -3028' w/3,000 gals 15% NEFE HCL and 1050#s rock salt in 4 stages. AIR=4 bpm @ 1000 psi. ISIP=vacuum. Place well on production. After WO: 11 bopd, 141 bwpd, & 29 Mcfgpd.					
<p>TOC @ 2126'</p> <p>By TS</p>		10-Oct-00 Removed CIBP @ 3070'. Set CIBP @ 3300' and dmp cmt on top.					
		26-Sep-02 C/O to 3127' G.L. recovered 20 gal. Frac. Sand and CIBP pieces.					
		17-Jul-02 Pump stuck - pulled wet string. Bailed frac sand & ball sealers. Replace all 3/4" rods due to stretch. Placed on pump.					
		3-Sep-02 Pull rods, pump & tubing. Hydrotest tubing in hole.					
		16-Sep-02 Long stroke to get well pumping.					
<p>TOC @ 2126'</p> <p>By TS</p>		23-Sep-02 Changed plunger. Hydrotest tubing in hole, found hole in # 3 collar.					
		26-Sep-02 Clean out fill to 3127'. Placed on pump.					
		Long stroke to get well pumping on: 10/07/03, 11/18/02, & 11/25/02.					
		25-Nov-02 Long stroke well, pump stuck in tubing. Strip well out. Placed well on pump.					
		11-Jun-03 POOH rods and stripped pump out of hole. POOH with and laid down 1 joint.					
<p>TOC @ 2126'</p> <p>By TS</p>		28-May-04 POOH with rods, rod part at pump. POOH with tubing. RIH with tubing , set TAC with 16,000# PWOP.					
<p>TOC @ 2126'</p> <p>By TS</p>		PREPARED BY: Larry S. Adams D Camzales					
		UPDATED: 02-Jun-04					

P8TD: 3695 ft

TD: 3824 ft

OH ID: 4 3/4 in