

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240
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. NM 12612
2. Name of Operator SDG Resources L. P.		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 1390 Montrose, CO 81402	3b. Phone No. (include area code) 432-580-8500	7. If Unit or CA/Agreement, Name and/or No. NM 70962X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650 Feet from the SOUTH line, 1650 Feet from the WEST line, Sec. 24, Township 24S, Range 36E		8. Well Name and No. Cooper Jal Unit #130
		9. API Well No. 30 025 11243 09643
		10. Field and Pool, or Exploratory Area JALMAT: Tansill, Yates, 7-Rivers
		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"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Deepen, Acidize & Fracture Stimulate
	<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	

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 CIBP at 3,385', deepen to 3,790' and downhole commingle Jalmat/Langlie Mattix: acidize and fracture stimulate.

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. Drill CIBP at 3,385'. Deepen well to new TD at 3,790'.
3. Lay down bit & drill collars. RU Wireline Company. Run Compensated Neutron Log from TD to 2,500'.
4. Perf Yates and 7-Rivers 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. Acidize open hole (3,470'-3,790'); perfs: Yates (3,046'-3,174'), with 4,000 gallons 15% NEFE HCl acid.
7. POOH with 2 7/8" work string. RIH with 5 1/2" Frac packers on 3 1/2" work string.
8. Fracture stimulate open hole (3,470'-3,790') with 60,000 12/20 mesh sand; perfs: Yates (3,046'-3,790') with 60,000# 12/20 mesh sand. POOH and lay down 3 1/2" work string and packer.
9. Clean out well to new TD with sand bailer on 2 7/8" work string. Lay down bailer and 2 7/8" work string.
10. RIH 2 7/8" production string, pump and rods. Place well on production. Turn over to operations.
11. Fold Pit Liner inward, cover with 20 mil liner and cover with top soil. File Form C144 with NMOCD.

APPROVED**MAY 25 2005****GARY GOURLEY**
PETROLEUM ENGINEER

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

Domingo CarrizalesTitle **Sr. Petroleum Engineer**

Signature

Domingo Carrizales

Date

05/11/2005**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)

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