| Submit 3 Copies To Appropriate District State of New Mexico | Form C-103 | |
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| District I Energy, Minerals and Natural Re | sources May 27, 2004 | |
| 1625 N. French Dr., Hobbs, NM 88240 | WELL API NO. | |
| District II 1301 W. Grand Ave., Artesia, NM 88210 OIL CONSERVATION DIVI | ISION <u>30-025-11143</u> | |
| District III 1220 South St. Francis D | 5. Indicate Type of Lease | |
| 1000 Rio Brazos Rd., Aztec, NM 87410 District IV Santa Fe, NM 87505 | 6. State Oil & Gas Lease No. | |
| 1220 S. St. Francis Dr., Santa Fe, NM | NM 12612 | |
| 87505 | | |
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BAC | 7. Lease Name or Unit Agreement Name | |
| DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH | | |
| PROPOSALS.) | NM 70962X 8. Well Number Cooper Jal Unit 110 | |
| 1. Type of Well: Oil Well 🔀 Gas Well 🗌 Other | | |
| 2. Name of Operator | 9. OGRID Number 193003 | |
| SDG Resources L. P. 3. Address of Operator P. O. Box 1390 | | |
| Montrose, CO 81402 | 10. Pool name or Wildcat JALMAT: Tansill, Yates & 7-Rivers | |
| Montrose, CO 81402 | ransin, rates & /-Rivers | |
| | | |
| 4. Well Location | | |
| Unit Letter [; 1980 feet from theSOUTH 1 | | |
| Section 18 Township 24S Rang | | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,303' GL | | |
| Pit or Below-grade Tank Application 🖌 or Closure 🗌 | | |
| Pit type_DIRTDepth to Groundwater130 feetDistance from nearest fresh water well_>1000 feet_ Distance from nearest surface water_>1000 feet | | |
| | | |
| | | |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report of Other Data | | |
| NOTICE OF INTENTION TO: Pit Permit SUBSEQUENT REPORT OF | | |
| | | |
| | | |
| | | |
| OTHER: Drill CIBP, Deepen, Acidize and Fracture Stimulate. | | |
| 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: Drill CIBP, Deepen producer to 3,770'and complete as Jalmat/ | /Langlie Mattix: acidize, and fracture stimulate. | |
| 1. MIRU Pulling Unit. POOH with rods, pump and tubing string. | | |
| MIRU Pulling Unit. POOH with rods, pump and tubing string. RIH w/ 4 ³/₄" bit & 6 - 3 ¹/₂" drill collars on 2 7/8" work string. Drill CIBP at 3,400'. Deepen well from 3587'to new TD at 3,770'. | | |
| Lay down bit & drill collars. RU Wireline Company. Run Compensated Neutron Log from TD to 2500'. | | |
| Perf Yates (3080'-3208'), 7-Rivers (3218'-3264'), 180 degree phasing, 2 JHPF, using 4" HSC gun. RD Wireline. | | |
| 5. RIH with 5 ½" packers on 2 7/8" work string. | | |
| 6. Acidize open hole (3,587'-3,770); perfs: 7-Rivers (3,218'-3,264') & Yates (2,870'-3,208'), 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 (3,587'-3770') with 60,000 12/20 mesh sand; perfs 7-Rivers (3,218'-3,264') & Yates (2,870'-3,208') | | |
| with 60,000# 12/20 mesh sand. POOH and lay down 3 ¹ / ₂ " work string and packer. | | |
| and the second state of th | d packer. | |
| 9. Clean out well to new TD with sand bailer on 2 7/8" work string. Lay dow | d packer. vn bailer and 2 7/8" work string. | |
| Clean out well to new TD with sand bailer on 2 7/8" work string. Lay dow RIH 2 7/8" production string, pump and rods. Place well on production. T Fold Pit Liner inward, cover with 20 mil liner and cover with top soil. File | d packer. vn bailer and 2 7/8" work string. Furn over to operations. | |

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 belowgrade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit 🕱 or an (attached) alternative OCD-approved plan [].

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|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------|
| SIGNATURE Comingo an | TITLE_Senior Petroleum Engineer | DATE_7/28/05_ |
| Type or print name For State Use Only | E-mail address: Domingo@sdgresources.com | Telephone No. 432-580-8500 |
| APPROVED BY: | TITLE PETROLEUM ENGINEER | |
| Approval for Deepen CANNOT produce from both the Langlie & Jalmat until Downhole commingle order is approved in Santa Fe. | | |

