

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

Form C-103  
 May 27, 2004

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

WELL API NO.	30-025-09631
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No. NM 12612	
7. Lease Name or Unit Agreement Name NM 70962X	
8. Well Number Cooper Jal Unit 120	
9. OGRID Number 193003	
10. Pool name or Wildcat JALMAT: Tan, Y, 7-R; Langlie Mattix: 7-R, Q, GB	

**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 81402

4. Well Location  
 Unit Letter C 660 feet from the NORTH line and 1980 feet from the WEST line  
 Section 24 Township 24S Range 36E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3,326' GL

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 <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Perform Step-Rate Test. <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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: Perform Step-Rate Test.

- Shut well in 24 hours prior to test.
  - R.U. Arc Pressure Data, Inc.
  - RIH with pressure bomb and locate at mid-perfs.
  - Start injection at 100 bwpd for 1 hour.
  - Ramp rates up at 100 – 200 bwpd increments per hour.
- Note: Obtain at least 3 points before parting pressure and 3 – 4 points after parting pressure.  
 Note: Maximum rate should be 1000 bwpd.
- POOH with pressure bomb. R. D. Arc Pressure Data, Inc.
  - Place well on injection at 400 bwpd.



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 Carvajal TITLE Senior Petroleum Engineer DATE 11/10/05

Type or print name \_\_\_\_\_ E-mail address: Domingo@sdgresources.com Telephone No. 432-580-8500

APPROVED BY: Larry W. Wink TITLE OG FIELD REPRESENTATIVE II/STAFF MANAGER  
 Conditions of Approval (if any): \_\_\_\_\_ NOV 14 2005

**WELLBORE SCHEMATIC AND HISTORY**

CURRENT COMPLETION SCHEMATIC	LEASE NAME <b>Cooper Jal Unit</b>	WELL NC <b>120 W</b> (Formerly No. 236)												
<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">STATUS: Active</td> <td style="width:33%;">Water Injector</td> <td style="width:34%;">API# 30-025-09631</td> </tr> <tr> <td colspan="3">LOCATION: 660 FNL &amp; 1980 FWL, Sec 24, T - 24S, R - 36E; Lee County, New Mexico</td> </tr> <tr> <td>SPUD DATE: 11/11/51</td> <td>TD 3604</td> <td>KB 3,326' DF</td> </tr> <tr> <td>INT. COMP. DATE: 11/11/51</td> <td>PBTD 3574</td> <td>GL 3,315'</td> </tr> </table>			STATUS: Active	Water Injector	API# 30-025-09631	LOCATION: 660 FNL & 1980 FWL, Sec 24, T - 24S, R - 36E; Lee County, New Mexico			SPUD DATE: 11/11/51	TD 3604	KB 3,326' DF	INT. COMP. DATE: 11/11/51	PBTD 3574	GL 3,315'
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<p><b>Surface Csg</b> Hole Size: 12 1/4 in Csg. Size: 8 5/8 in Set @: 315 ft Sxs Cmt: 150 Circ: Yes TOC @: surf TOC by: circ</p> <p><b>Production Liner</b> Hole Size: 4 in Csg. Size: 4 in Top: 2854 ft Btm: 3604 ft Sxs Cmt: 45 Circ: Yes TOC @: TOL TOC by: Circ</p>	<p align="center"><b>ELECTRIC LOGS:</b> GR-N from surface - 3195' (11-6-51 Lane Wells) GR-CCL (5-20-94 Halliburton) GR-N from 2000 - 3573' (9-1-71 Dresser Atlas) GR-N from 2900 - 3600' (12-12-54 PGAC)</p> <p align="center"><b>GEOLOGICAL DATA</b></p> <p align="right"><b>CORES, DST'S or MUD LOGS:</b> Core analysis from 3444 - 3512' (12-15-54)</p> <p align="center"><b>HYDROCARBON BEARING ZONE DEPTH TOPS:</b></p>													
	<p align="center"><b>CASING PROFILE</b></p> <p>SURF. 8 5/8" - 29.75#, J-55 set@ 315' Cmt'd w/150 sxs - circ cmt to surf.                  PROD. 5 1/2" - 15# (0-1600') &amp; 17# (1600 - 3000'), J-55 set@ 3000' Cmt'd w/650 sxs - TOC @ 70' from surf.                  LINER 4" - 9.5#, J-55 FJ csg. set from 2854 - 3604' Cmt w/45 sxs - Circ cmt out TOL.</p>													
	<p align="center"><b>CURRENT PERFORATION DATA</b></p> <p>CSG. PERFS: OPEN HOLE : 3000 - 3604'</p> <table style="width:100%;"> <tr> <td>3011 - 3270' w/1 spf (81 holes)</td> <td>3408 - 92' w/1 stp (37 holes)</td> </tr> <tr> <td>3156 - 76' w/2 spf (40 holes)</td> <td>3500 - 12' w/4 spf (68 holes)</td> </tr> </table>		3011 - 3270' w/1 spf (81 holes)	3408 - 92' w/1 stp (37 holes)	3156 - 76' w/2 spf (40 holes)	3500 - 12' w/4 spf (68 holes)								
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<p align="center"><b>WELL HISTORY SUMMARY</b></p> <p>11-Nov-51 Initial completion interval: 3000 - 3195' (Yates OH). Frac'd w/1,500 gals kerosene, 500#s Napalm, 800#s ottawa sand &amp; 70 bbls oil. IP =207 bopd, 0 bwpd &amp; 337 Mcfgpd (flowing)</p> <p>19-Dec-54 Deepened to 3604'. Set 4 1/2" liner from 2854'-3604'. Perf'd (Langlie Mattix) 3500'-12' w/ 4 spf (68 holes). Frac'd w/ 6,000 gals lse oil &amp; 6,000#s sand. IP=581.2 bopd, 0 bwpd, &amp; 389 Mcfgpd (flowing)</p> <p>7-Oct-71 Converted to Dual Injector. Perf'd (Jalimat) 3011 - 3270 w/1 spf (81 holes) &amp; (Langlie Mattix) 3408 - 92' w/ 1 spf (37 holes). Acdz 3500-12' w/1,600 gals. Acdz 3011'-3270' w/3,860 gals. RIH w/dual pkr and initiated injection.</p> <p>14-Oct-88 Dual pkr. Equipment plugged up. Well Shut-in.</p> <p>28-Apr-94 Remove injection equipment. (extensive fishing operations). C/O to 3574' - Drlg on junk. Ran GR-CCL. Perf'd 3156'-76' w/2 spf (40 - .042" dia holes). TIH w pkr on 2 3/8" IPC tbg. Set pkr @ 2940'. Placed on injection: 722 bwpd @TP= 800 psi.</p> <p>14-Feb-02 Tag TD using SL unit ( 1 1/4" x 5' sinker bar). Tag fill @ 3046' (668' of fill)</p> <p>9-Aug-04 POOH with 2 3/8" IPC tubing and 4" x 2 3/8" Baker Model AD-1 packer. RIH with 3 7/8" skirted bit and 6 - 3 1/8" drill collars on 2 3/8" work string. Tagged top of liner at 2,854', bit would go inside liner. POOH and laid down 6 - 3 1/8" drill collars and 3 7/8" bit. RIH with 3 1/4" bit on 2 3/8" work string, tagged at 3070'. Cleaned out to PBTD at 3576'. Circulated iron carbonate scale. POOH laying down 2 3/8" work string and 3 1/4" bit. RIH with redressed 2 3/8" x 4" Baker Model AD-1 packer to 2945'. Hydrotest injection string to 6,000 psig. Circulated with inhibited packer fluid, set packer. Test annulus for 15 minutes to 350 psig - held. OCD Field Rep was present to witness the MIT. Before injectivity: 330 bwpd at 1000 psig. After injectivity: 300 bwpd at 480 psig.</p> <p>03-Dec-04 Before Rate &amp; Pressure: 319 bwpd at 850 psig. RIH with 1 1/4" Perf-Clean Tool on 1 1/4" Coiled Tubing. Washed Perfs (3011'-3516') with surfactant 2% fresh water. TP= 3250 psig, Annulus Press= 100 psig. Acidized with 4200 gallons 15% NEFE HCl acid in 3 passes. TP=3700 psig, Annulus Press= 750 psig. After Rate &amp; Press: 242 bwpd at 130 psig.</p>														
<p>The schematic shows a wellbore with a surface casing (12 1/4" hole size, 8 5/8" casing) and a production liner (4" hole size, 4" casing). The TOC is at the surface. The production liner is set from 2854' to 3604'. The wellbore is perforated in several zones: 3011-3270' (81 holes), 3408-92' (37 holes), 3156-76' (40 holes), and 3500-12' (68 holes). The well history summary provides a detailed account of the well's operations from 1951 to 2004, including completion, deepening, conversion to a dual injector, and various workovers and acid treatments.</p>														
<p>PBTD: 3574 ft      OH ID: 4 3/4 in      OH Interval: 3000 - 3604' behind 4" liner</p>														
<p>PREPARED BY: Larry S. Adams D. Carrizales      UPDATED: 13-Dec-04</p>														