

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Injector <input checked="" type="checkbox"/>	
2. Name of Operator SDG Resources L. P.	
3. Address of Operator P. O. Box 1390 Montrose, CO 81402	
4. Well Location Unit Letter <u>C</u> <u>660</u> feet from the <u>NORTH</u> line and <u>1980</u> feet from the <u>WEST</u> line Section <u>24</u> Township <u>24S</u> Range <u>36E</u> NMPM LEA County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,326' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>DIRT</u> Depth to Groundwater <u>130</u> feet Distance from nearest fresh water well <u>>1000</u> feet Distance from nearest surface water <u>>1000</u> feet	
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>200</u> bbls; Construction Material <u>Synthetic</u>	

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: Perform Step-Rate Test. ☒

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: Perform Step-Rate Test.

1. Shut well in 24 hours prior to test.
 2. R.U. Arc Pressure Data, Inc.
 3. RIH with pressure bomb and locate at mid-perfs.
 4. Start injection at 100 bwpd for 1 hour.
 5. 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.
6. POOH with pressure bomb. R. D. Arc Pressure Data, Inc.
 7. 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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Domingo Canales TITLE Senior Petroleum Engineer DATE 11/10/05

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

For State Use Only

APPROVED BY: Larry W. Wink TITLE TOC FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 14 2005

Conditions of Approval (if any):

WELLBORE SCHEMATIC AND HISTORY

CURRENT COMPLETION SCHEMATIC		LEASE NAME		WELL NC	
<p>Surface Csg 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>Production Liner 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>Production Csg. Hole Size: 7 5/8 in Csg. Size: 5 1/2 in Set @: 3000 ft Sxs Cmt: 650 Circ: No TOC @: 70 ft f / surf. TOC by: calc.</p> <p>PBTD: 3574 ft TD: 3604 ft</p> <p>OH ID: 4 3/4 in OH Interval: 3000 - 3604' behind 4" liner</p>		Cooper Jal Unit STATUS: Active Water Injector LOCATION: 660 FNL & 1980 FWL, Sec 24, T - 24S, R - 36E; Lee County, New Mexico SPUD DATE: TD 3604 KB 3,326' DF INT. COMP. DATE: 11/11/51 PBTD 3574 GL 3,315'		120 W (Formerly No. 236) API# 30-025-09631	
		<p>ELECTRIC LOGS: 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>GEOLOGICAL DATA CORES, DST'S or MUD LOGS: Core analysis from 3444 - 3512' (12-15-54)</p> <p>HYDROCARBON BEARING ZONE DEPTH TOPS:</p>			
		<p>CASING PROFILE 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') & 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>CURRENT PERFORATION DATA CSG. PERFS: OPEN HOLE : 3000 - 3604' 3011 - 3270' w/1 spf (81 holes) 3408 - 92' w/1 spf (37 holes) 3156 - 76' w/2 spf (40 holes) 3500 - 12' w/4 spf (68 holes)</p>			
		<p>TUBING DETAIL 8/11/2004 Length (ft) Detail 11 KB 2938 95 jts - 2 3/8" 4.7#, IPC, J-55, 8rd EUE tbg. 3 1- 4" x 2 3/8" Baker Model AD-1 packer 2952 btm</p>		<p>ROD DETAIL</p>	
<p>WELL HISTORY SUMMARY</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 & 70 bbls oil. IP=207 bopd, 0 bwpd & 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 & 6,000#s sand. IP=581.2 bopd, 0 bwpd, & 389 Mcfgpd (flowing)</p> <p>7-Oct-71 Converted to Dual Injector: Perf'd (Jalmat) 3011 - 3270 w/1 spf (81 holes) & (Langlie Mattix) 3408 - 92' w/ 1 spf (37 holes). Acdz 3500-12' w/1,600 gals. Acdz 3011'-3270' w/3,880 gals. RIH w/dual pkrs and initiated injection.</p> <p>14-Oct-88 Dual pkr. Equipment plugged up. Well Shut-in.</p> <p>26-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' (568' 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 3575'. 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 & 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 & Press: 242 bwpd at 130 psig.</p>					

PREPARED BY:

Larry S. Adams D. Carrizales

UPDATED:

13-Dec-04