

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.	30-025-11149
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> <b>Fed</b>	
6. State Oil & Gas Lease No. NM 12612	
7. Lease Name or Unit Agreement Name NM 70962X	
8. Well Number Cooper Jal Unit 242	
9. OGRID Number 193003	
10. Pool name or Wildcat JALMAT: Tansill, Yates & 7-Rivers	

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>990</u> feet from the <u>NORTH</u> line and <u>1587</u> feet from the <u>WEST</u> line Section <u>19</u> Township <u>24S</u> Range <u>37E</u> NMPM LEA County	11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,311' GL
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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>&gt;1000</u> feet Distance from nearest surface water <u>&gt;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:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: Perform Step-Rate Test. <input checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
	CASING/CEMENT JOB <input 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.

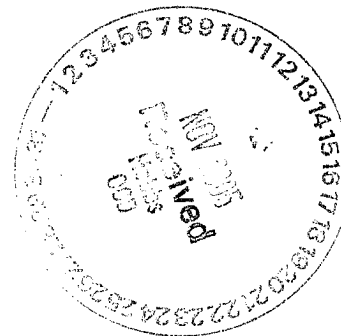
Objective: Perform Step-Rate Test.

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 575 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

For State Use Only

APPROVED BY: Larry W. Wink TITLE OC FIELD REPRESENTATIVE II / STAFF MANAGER DATE 11 4 2005

Conditions of Approval (if any):

## WELLBORE SCHEMATIC AND HISTORY

CURRENT COMPLETION SCHEMATIC		LEASE NAME		WELL NC	
<p><b>Surface Csg</b>  Hole Size: 12 3/4 in  Csg. Size: 10 3/4 in  Set @: 300 ft  Sxs Cmt: 80  Circ: No  TOC @: 20 ft f / surf  TOC by: calc</p>		<b>Cooper Jal Unit</b>		<b>242 WIW</b> (Formerly No. 309)	
		STATUS: Active Water Injector		API# 30-025-11149	
		LOCATION: 990 FNL & 1587 FWL, Sec 19, T - 24S, R - 37E; Lee County, New Mexico			
		SPUD DATE: TD 3191		KB 3,311' DF	
		INT. COMP. DATE: 07/04/50 PBTD 3191		GL 3,303'	
<p style="text-align: center;"><b>ELECTRIC LOGS:</b></p> <p>GR-N (7-3-50 Lane Wells)</p> <p style="text-align: center;"><b>HYDROCARBON BEARING ZONE DEPTH TOPS:</b></p> <p>Yates @ 2985'</p>		<b>GEOLOGICAL DATA</b>			
		<b>CORES, DST'S or MUD LOGS:</b>			
		<b>CASING PROFILE</b>			
		SURF. 10 3/4" - 32#, J-55 set @ 300' Cmt'd w/ 80 sxs - TOC @ 20' from surf by calc.			
		PROD. 7" - 23#, J-55 set @ 2962' Cmt'd w/ 300 sxs - TOC @ 1140' from surface by calculation.			
<p style="text-align: center;"><b>CURRENT PERFORATION DATA</b></p> <p>CSG. PERFS: OPEN HOLE : 2962 - 3191'</p>		<b>CURRENT PERFORATION DATA</b>			
		<b>TUBING DETAIL</b> 11/20/2004			
		<b>ROD DETAIL</b>			
		Length (ft) Detail			
		0.00 KB 2884.00 92 jts - 2 3/8" 4.7#, CL, J-55, 8rd EUE tbg. 2.90 1- 5 1/2" x 2 3/8" Baker Model AD-1 pkr. 2886.90 btm			
<p style="text-align: center;"><b>WELL HISTORY SUMMARY</b></p> <p>4-Jul-50 Initial completion interval: 2962 - 3191' (Yates OH). No stimulation. IP= 66 bopd, 0 bwpd, &amp; 88 Mcfgpd (flowing)</p> <p>23-Jun-62 Producing 6 bopd, 0 bwpd, &amp; 476 Mcfgpd</p> <p>4-Nov-75 CONVERTED TO INJECTION: C/O fill from 3050 - 3191' (141'). Ran pkr on 2 3/8" CL tbg. Set pkr @ 2921'. Placed well on injection.</p> <p>1-Sep-93 C/O paraffin, and iron sulfide from 3000 - 3140'. C/O fill to 3191'. Jet was from 3191 - 2692'. Ran pkr on 2 3/8" CL tbg. Set pkr @ 2884'</p> <p>Tst csg. OK. Initiated injection - 541 bwpd @ TP=310 psi.</p> <p>10-Nov-04 7" casing parted below flange. POOH with 2 3/8" cement lined tubing and 7" packer. Ran GR, CCI from 2669' to surface, found DV Tool at 1300', TOC at 304'. Ran Electric Magnetic Multi-Arm Caliper Log from 509' to surface. Backed 7" casing at 280' and recover. RIH 9 joints - 7" casing. RIH with 6 1/4" bit, 6 - 3 1/2" drill collars. Cleaned out well with bridges at 2950', 2980', 3075', and cleaned to 3191'. RIH with 1 1/4" Perf-Clean Tool on 2 7/8" tubing. Wash open hole with fresh water mixed with 2% KCl plus 3 gallons surfactant per 1000 gallons. Washed in 4 stages at 4 BPM. Pavg=2650 psig. Circulate well with 74 bbls surfactant water. Acidized from bottom up with 3,000 gallons 15% NEFE HCl acid. Pavg= 1475. BPM = 2.5. RIH with injection packer on 2 3/8" IPC tubing to 2,884'. Circulated annulus with inhibited packer fluid. Performed MIT (press test to 816 psig for 35 minutes) and pulled pressure chart for NMOCD filing. Placed well on injection at 270 BWPD. Three days later rate and pressure: 542 bwpd at 450 psig. Prior rate &amp; pressure: 501 bwpd @ 500 psig.</p> <p>20-Jan-05 Shut in. Fixed well head leak. MIT annulus to 340 psig for 35 minutes - held. Field Rep B. Hill witness MIT. Pulled pressure chart for NMOCD. After rate &amp; pressure: 465 bwpd at 450 psig.</p>		<b>WELL HISTORY SUMMARY</b>			
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		<p>TOC @ 1140' By Calc.</p> <p style="text-align: right;">pkr @ 2884'</p> <p style="text-align: right;">OH Interval 2962 - 3191'</p> <p>PBTD: 3191 ft TD: 3191 ft</p> <p style="text-align: right;">OH ID: 6 1/4 in</p>			
		<p><b>Production Csg.</b>  Hole Size: 8 3/4 in  Csg. Size: 7 in  Set @: 2962 ft  Sxs Cmt: 300  Circ: No  TOC @: 1140 f / surf  TOC by: calc.</p>			
		<p>PREPARED BY: Larry S. Adams D. Carrizales</p>			
<p>UPDATED: 25-Jan-05</p>					