

District I

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

MAR 07 2011

HOBBS

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-025-09647
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	306443
7. Lease Name or Unit Agreement Name	Cooper Jal Unit
8. Well Number	229
9. OGRID Number	263848
10. Pool name or Wildcat	Jalmat; Tansill-Yates-7Rivers
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3312' GL

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 ☐

2. Name of Operator Resaca Operating Company

3. Address of Operator
2509 Maurice Road, Odessa, TX 79763

4. Well Location
Unit Letter E : 1650 feet from the North line and 990 feet from the West line
Section 25 Township 24S Range 36E NMPM Lea County

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Clean Out and Foam Frac ☒

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.

- MIRU Pulling Unit and Above Ground Steel Pit; NU BOP; POOH w/ rods and tubing.
- RIH w/ 4 3/4" Bit and drill collars on 2 7/8" work string.
- RU Swivel and clean out to 3700' TD.
- RU Service Company & prep to fracture stimulate well down work string.
- Foam Sand Frac Perfs 2880'-2930' and OH 2960-3700' w/ approximately 105,000# 16/30 Brady Brown Sand & 105,000# 16/30 resin coated Brady Brown Sand; plus 1.71 MMCF Nitrogen diverting with 130 Bio Ball Sealers.
- RD Service Company. Install adjustable choke manifold w/ pressure gauge. Flow back well & clean up well, monitoring pressure and sand production until pressure depletes.
- POOH w/ 2 7/8" work string and lay down packer; clean out frac sand down to 3700' TD.
- RIH w/ 2 3/8" tubing. RIH w/ pump and rods.
- RDMO Pulling Unit, clean location, clean and dispose of pit fluids.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Melanie Reyes TITLE Engineer Assistant DATE 3/3/11

Type or print name Melanie Reyes E-mail address: melanie.reyes@resacaexploitation.com PHONE: (432)580-8500

For State Use Only

APPROVED BY: [Signature] TITLE State Mgr DATE 3-17-2011

Conditions of Approval (if any):

WELLBORE SCHEMATIC AND HISTORY					
CURRENT COMPLETION SCHEMATIC		LEASE NAME Cooper Jal Unit		WELL NO. 229	
		STATUS: active Oil		API# 30-025-09647	
		LOCATION: 1650 FNL & 990 FWL, Sec 25, T - 24S, R - 36E; Lee County, New Mexico			
		SPUD DATE: TD 3700 KB 3,320' DF			
		INT. COMP. DATE: 05/31/47 PBDT 3182 GL 3,312'			
		GEOLOGICAL DATA			
		CORES, DST'S or MUD LOGS:			
		None listed *DST's taken at the following intervals: 2887 - 2935' Open 30 min. Rec 20' of fluid (fluid description unknown)			
		2887 - 2935' 3199 - 3240' 3144 - 3200' Open 1 hr. Rec 40' of fluid (fluid description unknown)			
		3144 - 3200' 3239 - 3340' 3020 - 3200' Open 1 hr. gas 6 minutes calc rate = 80 Mcf/gpd also 510' mud			
		3020 - 3200' 3336 - 3360' 3199 - 3240' Open 33 min. Rec 10' of mud			
		3367 - 3700' 3239 - 3340' Open 1 hr. Rec 30' of mud			
		3336 - 3360' Open 1 hr. Rec 55' of mud			
		3367 - 3700' Open 1 hr. Rec 160' of mud			
		HYDROCARBON BEARING ZONE DEPTH TOPS:			
		Yates @ 3020' 7-Rivers @ 3215' Queen @ 3595'			
		Casing Profile			
		SURF. 10 3/4" - 40#, J-55 set@ 1014' Cmt'd w/250 sxs - TOC @ 230' from surf by calculation			
		PROD. 7" - 20#, J-55 set @ 2755' Cmt'd w/1027 sxs - TOC @ surface by calculation.			
		LINER 5 1/2" - 15.5#, J-55 csg. set from 2660 - 2960'. Liner set in Dow Plastic.			
		CURRENT PERFORATION DATA			
		CSG. PERFS: OPEN HOLE 2960 - 3170			
		04-Jun-07 Perf'd Tansil f/ 2915'-2930', 2905'-2910', and 2880'-2900' w/ 3 jsfp, degree, 130 phasing.			
		TUBING DETAIL 11/17/2010 ROD DETAIL 11/18/2010			
		2656 83 2 3/8" J-55 4.7# 8rd tbg 14 1 1 1/4" x 22' PR w/7/8" pin			
		3 1 2 3/8" x 7" TAC 0 1 1 1/4" x 1 1/2" x 14' liner			
		448 14 2 3/8" J-55 4.7# 8rd tbg 24 4 4', 6', 6", 8" - 7/8" KD Pony Rod			
		1 1 2 3/8" SN 1250 50 7/8" KD Rods			
		4 1 2 3/8" Perf Sub 1625 65 3/4" KD Rods			
		31 1 2 3/8" OEMAJ 75 3 7/8" KD Rods			
		3143 24 1 2" x 1 1/2" x 24' RWBC Pump w/6' Gas Anchor			
		3012			
		WELL HISTORY SUMMARY			
		31-May-47 Well was originally drilled to 3700', DST'd, and P&A'd.			
		1-Aug-50 RE-ENTRY: C/O OH from 2960 - 3170'. Shot OH interval 3020 - 3160' w/ 280 qts nitro. Set 5" liner from 2660 - 2960' L DOW plastic. D/O to 3170'. After re-entry: 82 bopd, 0 bwppd, & 71 Mcf/gpd (flowing)			
		1-Dec-62 Producing 21 bopd & 831 Mcf/gpd			
		17-Jun-65 Producing (flowing) 1 bopd, 0 bwppd, GOR=3000			
		3-May-68 Producing (pmp) 1 bopd, 0 bwppd, GOR=9000			
		26-Aug-75 Producing (pmp) 7 bopd & 30 bwppd			
		14-Oct-75 C/O fill from 3038 - 3182' with 4 3/4" bit. Jet wash OH from 2960 - 3182'.			
		18-Oct-75 C/O fill from 3092 - 3182' (90').			
		13-Dec-75 Producing (pmp) 10 bopd & 29 bwppd			
		20-Oct-76 Producing (pmp) 14 bopd & 33 bwppd			
		1-Sep-77 Production ended. Well shut-in. Based on P/Dwights data base - well has been P&A'd.			
		No well history past Oct - 76 was located in SDG Resources Engineering or Field Files in Odessa/Midland Offices.			
		Set CIBP @ 2820' on tbg. Dmp 35' of cmt on top of CIBP. PBDT @ 2785'. Flange up wellhead.			
		Well is TA'd effective 9-18-99.			
		Note: There is no report showing when the CIBP was drilled out and the well re-activated.			
		18-Apr-02 POOH with rods and pump. Leak in tubing. Pooh with tubing. RIH with 1 - IPC 2 3/8" plus 98 - 2 3/8" tubing. RIH with pump and rods. Layed down 10 bad 5/8" rods and 9 bad tubing joints.			
		05-Mar-03 Test tubing to 500 psi - okay! POOH w/104 5/8" rods & pump. Changed out pump & rod string. PWOP.			
		20-Jan-04 POOH w/ rods, pump, & tbg. Hydrotest tbg in hole to 6000# - busted 17 jts (jt above SN had hole). PWOP.			
		21-Oct-04 POOH with rods, pump, and tubing. Hydrotest tubing in hole to 6000 psig - busted 19th, 6th, 3rd, and 1th joints. Set TAC w/ 16,000#. PWOP. Replaced 24 - 7/8" boxes due to wear.			
		20-Nov-06 POOH w/rods, pump, & tubing. Hydrotest tubing in hole to 6000 psig - found hole on jt above SN. RIH w/Prod string. PWOP.			
		29-May-07 POOH w/ rods & pump. POOH w/ tbg. RIH w/ 4 3/4" bit, tagged at 3034'. C/O to 3163'. Had 57' of fill the next day. Tagged at 3106', did not cleaned out. RIH with packer and set at 2610'. Pressure test casing to 500# - held. Perf'd Tansil f/ 2915'-2930', 2905'-2910', and 2880'-2900' w/ 3 jsfp, degree, 130 phasing. Gray Wireline electric wireline line stranded. Fished and recovered guns & electric line. Set PKR @ 2808'. 8 hours stand-by due to Weatherford equipmten failure. Set PKR 2834'. Attempt to Foam CO2 Acid Frac, communication to annulus occurred. Set pkr at 2560', communication to annulus occurred. Hydrotest tubing in hole to 7000#, set pkr @ 2558'. CO2 Foam Acid Frac'd Tansil (2880'-2930') w/6500 gals NEFE acid + 70 Tons CO2. Pavg= 2827 psig/SIP= 1082#. CION. Next day. SITP= 840#. Flowed CO2 & 1% oil cut on 8/64" choke, 840# down to 300#. Second day flow back: 12-16 BFPD 1%-5% oil cut. Third day flow back: well bled down. Hydrotest tbg in hole to 600#, busted 3 jts. RIH w/pump & rods. PWOP.			
		17-Nov-10 POOH with rods pump (stuck) and tubing. Hydrotest tubing to 6000 psig - okay. RIH pump and rods, PWOP.			
		08/12/04 Note: Conflicting liner sizes (5" 15# & 5 1/2" 15#) were filed with OCD on 8/31/50. However, during a workover in 10/15/75, a 4 3/4" bit was run inside the liner verifying that the liner is a 5 1/2" /iner.			
		PREPARED BY: Larry S. Adams Domingo Carrizales UPDATED: 05-Jan-11			

Surface Csg

Hole Size: 13 in

Csg. Size: 10 3/4 in

Set @: 1014 ft

Sxs Cmt: 250

Circ: No

TOC @: 230 ft f/surf

TOC by: calc

Production Liner

Hole Size: 6 3/4 in

Lnr Sz: 5 1/2"

Top: 2660 ft

Btm: 2960 ft

TOC @: unknown

Set in Dowell Plastic

Fill @ 3163'

7-R @ 3215'

Cmt plug

3172 - 3700'

Queen @ 3595'

PBTD: 3182 ft

TD: 3700 ft

OHC 6 1/4 in