Submit 3 Copies To Appropriate District State of New Mexico 23 Energy, Minerals and Natural Resource District I Revised March 25, 1999 1625 N. French Dr., Hobbs, NM 88240 WELL API NO. District II 30-015-23888 OIL CONSERVATION DIVISION 811 South First, Artesia, NM 88210 5. Indicate Type of Lease District III 2040 South Packec 1000 Rio Brazos Rd., Aztec, NM 87410 STATE XX Santa Fe, NM-845 District IV State Oil & Gas Lease No. L-6425 2040 South Pacheco, Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OF PLAN 7. Lease Name or Unit Agreement Name: DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-10) PROPOSALS.) 1. Type of Well: MWJ State Oil Well XX Gas Well Other 2. Name of Operator 8. Well No. Kay Jay Oil Company 1 Y Address of Operator 9. Pool name or Wildcat PO Box 568 Artesia, NM 88211-0568 Willow Lake Delaware Well Location Unit Letter N 860 feet from the South line and 2020 feet from the West line 30 Section Township 24S Range 29E Eddy NMPM County 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 2926.6 GR 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING MULTIPLE CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: 12. 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 recompilation. RUPU, Pull Rods & pump, hook-up BOP, tagged fill @ 4920' 4/26/01 POH W/ 2 3/8 Tbg SION. RIH W/ bit & 6 collers, cleaned out hole to 5270', POH, RIH with 4/27/01 packer, set packer @ 4950 Pumped acid over perfs 4956-75, break at 1920 lbs, pumped 800 gal NEFE $7\frac{1}{2}$ % HCL, Good ball action. Pumped 700 gal FEFE $7\frac{1}{2}$ % HCL over perfs 4881-94, break at 1780, good ball action. POH with tbg & packers, SION. Tbg PSI 75 lbs, RIH with tbg, swabbed back acid 5 oil, 4/28/01 60 water, fair gas blow. SI for weekend. Tbg PSI 80 lbs, RIH with rods and pump. SI to work on production 4/30/01 equipment. Released pulling unit. 5/3/01 Put well on. 5/4/01 Initial Prod 22 Oil, 42 Water, 45 MCFPD. End of Report I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE Yres __DATE_5-3/-01 Type or print name Blaise Campanella Telephone No. 748- 5488 (This space for State use) ORIGINAL SIGNED BY TIM W. GUM APPPROVED BY DISTRICT II SUPERVICOR_{UTLE} DATE IN 19 2001

Conditions of approval, if any: