

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,  
THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A  
COMPLIANCE ORDER AGAINST JAY MANAGEMENT COMPANY, LLC FINDING  
THAT THE OPERATOR IS IN VIOLATION OF 19.15.25.8 NMAC AS TO TWENTY  
FOUR WELLS, REQUIRING OPERATOR TO RETURN THE WELLS TO  
COMPLIANCE BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE  
AUTHORIZING THE DIVISION TO PLUG AND ABANDON THE WELLS AND  
FORFEIT THE APPLICABLE FINANCIAL ASSURANCE, LEA COUNTY, NEW  
MEXICO.**

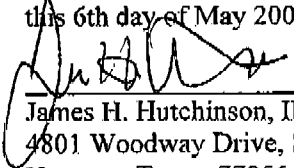
**CASE NO. 14303**

**MOTION FOR CONTINUANCE**

JAY MANAGEMENT COMPANY, LLC ("Jay") moves to continue Case No. 14303, currently scheduled for May 15, 2009, to the **June 2, 2009** docket. This motion is supported by the following:

1. The New Mexico Oil Conservation Division ("OCD") filed the application in Case No. 14303 seeking an order setting a schedule for the operator to return 24 inactive wells to compliance.
2. Jay and the OCD have reached agreement on an inactive well agreed compliance order. The agreed compliance order has been executed by Jay and is currently being held by OCD pending the issuance of a letter of credit to fulfill the financial assurance requirements applicable one of the inactive wells. Jay has applied for the letter of credit and anticipates that the letter of credit will issue shortly, and requests additional time to for the issuance of the letter of credit and execution of the agreed compliance order by OCD.
3. Jay has contacted Ms. Gail MacQuesten, counsel for the OCD, and is informed that the OCD does not object to the continuance requested herein.

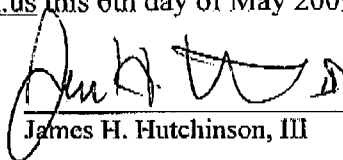
Respectfully submitted  
this 6th day of May 2009 by

  
James H. Hutchinson, III  
4801 Woodway Drive, Suite 100E  
Houston, Texas 77056  
(713) 621-6785 ext. 307

Attorney for Jay Management Company, LLC

**\CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was mailed by first class mail to Ms. Gail MacQuesten, New Mexico Oil Conservation Division, Energy, Minerals and Natural Resources Department, 1220 S. St. Francis Drive, Santa Fe, NM 87505, and e-mailed to Ms. MacQuesten at [gail.macquesten@state.nm.us](mailto:gail.macquesten@state.nm.us) this 6th day of May 2009.

  
James H. Hutchinson, III

**DOCKET: EXAMINER HEARING - THURSDAY – MAY 14, 2009**

8:15 A.M. - 1220 South St. Francis  
Santa Fe, New Mexico

Docket Nos. 18-09 and 19-09 are tentatively set for June 2, 2009 and June 11, 2009. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

***Locator Key for Cases****Case 14173 – No. 13**Case 14245 – No. 8**Case 14271 – No. 2**Case 14300 – No. 14**Case 14301 – No. 15**Case 14303 – No. 1**Case 14309 – No. 12**Case 14312 – No. 3**Case 14313 – No. 4**Case 14314 – No. 5**Case 14315 – No. 6**Case 14316 – No. 7**Case 14317 – No. 9**Case 14318 – No. 10**Case 14319 – No. 11***1. CASE 14303;** *(Continued from the April 16, 2009 Examiner Hearing.)*

***Application of the New Mexico Oil Conservation Division for a Compliance Order against Jay Management Company, LLC.*** The Applicant seeks an order finding that the operator is in violation of 19.15.25.8 NMAC as to twenty-four wells, requiring operator to return the wells to production, place the wells on approved temporary abandonment status, or properly plug and abandon the wells by a date certain, and in the event of non-compliance authorizing the division to plug and abandon the wells and forfeit the applicable financial assurance. The affected wells are: Amerada Com #001, 30-025-22378, J-28-11S-33E; Andover Federal #001, 30-025-21904, P-17-11S-33E; Bess #002, 30-025-28545, A-20-11S-33E; Clark State #001, 30-025-21880, D-27-11S-33E; Collier #001, 30-025-00994, F-9-11S-33E; Eva Com #001, 30-025-22412, J-20-11S-33E; G S State #001, 30-025-22811, G-8-11S-33E; Iva Com. #001, 30-025-22437, H-20-11S-33E; Kelsay #001, 30-025-01005, M-28-11S-33E; Leigh Com #001, 30-025-22541, N-20-11S-33E; New Mexico B State #001, 30-025-00035, B-27-10S-32E; New Mexico B State #003, 30-025-00037, B-27-10S-32E; New Mexico X State #001, 30-025-21603, P-10-10S-32E; Opal #001, 30-025-22561, D-20-11S-33E; Queen Com #001, 30-025-22642, L-20-11S-33E; Rose #001, 30-025-22653, C-32-11S-33E; Shell State Com #001, 30-025-22226, H-17-11S-33E; Sohio B State #001, 30-025-22122, P-5-11S-33E; Sohio State #001, 30-025-22043, P-4-11S-33E; State NBF #001, 30-025-20891, F-22-11S-33E; State NBN #001, 30-025-00998, N-16-11S-33E; Vera #001, 30-025-22761, E-32-11S-33E; Warren A State #001, 30-025-23338, I-28-11S-33E; Warren State #001, 30-025-22012, G-28-11S-33E. The wells are located approximately 20 miles Northwest of Tatum, in Lea County, New Mexico.