

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs  
HOBBS

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

RECEIVED  
NOV 06 2012

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM 072477
2. Name of Operator Jay Management Company		6. If Indian, Allottee or Tribe Name
3a. Address 2425 West Loop South, Suite 810 Houston, TX 77027	3b. Phone No. (include area code) 713-621-6785	7. If Unit of CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 1980' FEL Unit "J", SEC 17, T-11S, R-33E		8. Well Name and No. Dolly No. 1
		9. API Well No. 30-025-22370
		10. Field and Pool or Exploratory Area Bagley Permo Penn North
		11. Country or Parish, State Lea

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Operator was asked to provide a 5th day production Sundry Notice for the well after the workover was completed. Well has been producing unassisted for 5 days after the workover was completed. Due to delays encountered with Lea County Electric Co-op when hooking up electricity, the pumping unit was not pumping until October 4th. As of 10/08/12, while the well has been pumping, gas production has increased to an average of 22 mcf.

Day 1 (September 27th) - 17 mcf  
Day 2 - 5 mcf  
Day 3 - 5 mcf  
Day 4 - 5 mcf  
Day 5 - 13 mcf

OCD requires the form C-104 ( Request for Allowable and Authorization to Transport) before you sell any product down the pipeline. Per Rule 19 15 16 19

Once again these initial production numbers were without the assistance of the downhole pump.

See attached order,

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Matt Henderson		Title Project Manager
Signature 		Date 10/08/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	NOV 3 2012
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		WESTLYN THOMPSON PETROLEUM ENGINEER

NOV 07 2012

**Dolly 1**  
**30-025-22370**  
**Jay Management Company**  
**November 3, 2012**  
**Order of the Authorized Officer**

- 1. Operator shall submit a sundry detailing the work completed by date. That sundry is required by 43 CFR to be submitted within 30 days of completing the work. According to the date of the test, the work was completed on or before September 27, 2012. Therefore, the operator has not complied with that requirement.**
- 2. If the operator actually completed to another zone, a completion report is also required.**
- 3. Operator to provide an economic evaluation showing that the well is producing in paying quantities. The evaluation shall include the value of the production minus taxes and royalties. It shall also include all operating costs incurred by the operator.**
- 4. Is this an oil pool per NMOCD? It would appear that this well would be reported as a gas well.**

**WWI 110312**