

Submit 1 Copy 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
October 13, 2009

RECEIVED CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 OCT 11 2010 HOBBS		WELL API NO. 30-02522704 ✓
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)		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. State Oil & Gas Lease No. 26561 ✓
2. Name of Operator Jay Management Company LLC		7. Lease Name or Unit Agreement Name Una ✓ <306240>
3. Address of Operator 2425 West Loop South, Ste 810 Houston, TX 77027		8. Well Number; #1 ✓
4. Well Location Unit Letter _____ G _____ : 1980 _____ feet from the _____ North _____ line and _____ 1980 _____ feet from the _____ East _____ line Section 32 Township 11S Range 33E NMPM Lea County		9. OGRID Number 247692 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4287' GR		10. Pool name or Wildcat Bagley Permo Penn North ✓

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: Acidize & Re-Perforate Strawn Formation ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Proposed State Date: 06/07/2010

GIH & retest the Strawn formation. Pull tubing and TAC out of hole. GIH & perforate Strawn @ 10038'-10056'. Then pump & acidize all perforations over Strawn with 75% gel acid and CO2. Flow back and test well. Run / test tubing and TAC back in hole. Then set rods and pump. Put well back on production.

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

Kirk Broussard

Operations Manager

DATE: 05/28/10

Type or print name: Kirk Broussard E-mail address: kirkb@isramco-jay.com sgrisham@isramco-jay.com PHONE: 713-621-6785

For State Use Only

APPROVED BY:

[Signature]

TITLE

STAFF MGR

DATE

6-14-10

Conditions of Approval (if any):