

Office

Energy, Minerals and Natural Resources

October 13, 2009

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

RECEIVED

OIL CONSERVATION DIVISION

JUN 21 2010 1220 South St. Francis Dr.

HOBBS NM 87505 Santa Fe, NM 87505

WELL API NO.

30-025-22761

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

K-3895

7. Lease Name or Unit Agreement Name
Vera

8. Well Number: #1

9. OGRID Number

247692

10. Pool name or Wildcat
Bagley Permo Pen North

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

Jay Management Company, LLC

3. Address of Operator

2425 West Loop South, Ste 810, Houston, TX 77027

4. Well Location

Unit Letter E : 1980 feet from the N line and 810 feet from the W line
Section 32 Township 11S Range 33E NMPM Lea County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4298' GR

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: Add perfs in the wolfcamp

☒

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.

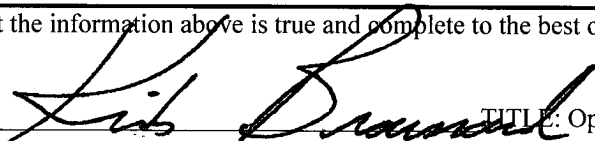
Proposed Start Date of 03/05/10: RIH & tag TD. GIH with casing scrapper and clean out wellbore. Set CIBP @ 9330' and test Baugh B Sand. Log hole w/ CCI & CBL. Set retrievable bridge plug @ 9100' +/- Perforate Wolfcamp Formation @ 8740' to 9066'. Swab well back. Pump & acidize well with 15% HCL and CO2. Let acid sit overnite and then flow well back to test tanks. Possibly swab well during flowback. Hook up pumping unit and RIH w/ rods and pump. Put well to 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



TITLE: Operations Engineer

DATE: 05/26/10

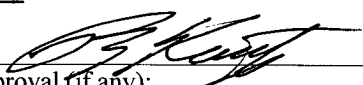
Type or print name: Kirk Broussard

E-mail address: kirkb@isramco-jay.com

PHONE: 713-621-6785

For State Use Only

APPROVED BY:



TITLE

PETROLEUM ENGINEER

DATE

JUN 22 2010

Conditions of Approval (if any):