

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

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HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-22256

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Lulu - Prod Code: 26542

8. Well Number: 1

9. OGRID Number

247692

10. Pool name or Wildcat

Bagley Permo Penn 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 N : 1874 feet from the West line and 554 feet from the South line
 Section 4 Township 11S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 4293.5' KB

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: ☐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 Operations to bring well back on production in existing formation: Start Date of 09/01/10

GIH and fish out fiberglass rods in hole. Once hole is clean, re-perforate existing formation (Strawn). Then acidize to stimulate perforations. Run new rods in hole and 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

TITLE:

Operations Manager

DATE: 09/01/10

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:

TITLE

STAFF MGR

DATE

9-19-10

Conditions of Approval (if any):