

Submit 1 Copy To Appropriate
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 88011
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

RECEIVED State of New Mexico
Energy, Minerals and Natural Resources
SEP 14 2010
OIL CONSERVATION DIVISION
HOBBS
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

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.)		WELL API NO. 30-025-01005 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Jay Management Company LLC		6. State Oil & Gas Lease No.
3. Address of Operator 2425 West Loop South, Ste 810 Houston, TX 77027		7. Lease Name or Unit Agreement Name Kelsay ✓
4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>28</u> Township <u>11S</u> Range <u>33E</u> NMPM Lea County		8. Well Number #1 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4942' KB		9. OGRID Number 247692 ✓
		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: ☐

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: 08/31/10

Proposed Plans: RU & pull tubing out of the hole (possible fish out parted tubing). Begin setting cement plugs at below intervals:

Plug #1: Perforate & squeeze cement @ 9960'. WOC & tag.

Plug #3: Perforate & squeeze cement @ 5000'. WOC & tag.

Plug #4: Perforate & squeeze cement @ 3820' (bottom of 9-5/8" shoe). WOC & tag. PERF @ 3870

Plug #5: Perforate & squeeze cement @ 1600' (for salt plug). WOC & tag.

Plug #6: Perforate & squeeze cement @ 375' (Bottom of 13-3/8" Casing). WOC & tag. PERF @ 425'

Plug #7: Perforate & squeeze cement @ 60'. WOC & Tag.

Plug #8: Set 10' cement plug at surface.

→ SET CIRBP @ 9272', DUMP BAIL 35' LMT OR SPOT 25 SXS CMT.

Condition of Approval: the operator shall give 24 hour notice to the appropriate District office before work begins

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

TITLE: Operations Manager

DATE: 08/22/10

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:

Maley Brown

TITLE: Compliance Officer

DATE: 9/15/2010

Conditions of Approval (if any):

dm

Jay Management Co. LLC
Kelsay #1 - Bagley Field
M-28-11S-33E Lea Co, NM
API #: 30-025-0100503820
Current Well Bore Diagram

