

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 19 2010
HOBBSOCD

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.

5. Lease Serial No.
NMNM072477

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

8. Well Name and No.
Andover Federal #01

2. Name of Operator

Jay Management Company, LLC

9. API Well No.
30-025-21904

3a. Address

2425 West Loop South, Ste 810 Houston, TX 77027

3b. Phone No. (include area code)

713-621-6785

10. Field and Pool or Exploratory Area
Bagley Permo Penn North

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SESE17-11S-33E NMP

11. Country or Parish, State
Lea Co., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 checked="" 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 recompleat 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 recompleat 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.)

Estimated Start Date: 10/15/10 (I am sending out AFE to working interest owners and I can not start the work for 30 days after I mail out the AFE for them to review for consent or non-consent)

Estimated Work Time: 3-4 weeks

This well is on a compliance order between jay Management and NMOCD.

We would like to plug back the well from it's existing perforations with a Bridge Plug and dump 20' of cement on top of the plug. Then come up the hole and perforate the Wolfcamp Formation (8350' - 9070'). We would then acidize the perforations and put the well back on production.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Kirk Broussard

Title Operations Engineer

Signature

Date 08/16/2010

PETROLEUM ENGINEER

OCT 20 2010

Approved by

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Title

Office

OCT 15 2010

/s/ Dustin Winkler

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

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 or cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Jay Management Company, LLC
NM-072477 – Andover Federal #1
API: 30-025-21904
Lea County, New Mexico

RE: Plug Back – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

CIBP to be place 50' above the top perf. Cement on top of CIBP is to be Class H with a minimum of 35' if dump bailed or 25sx if pumped.

Submit subsequent report and completion report with well test once work is completed.

DHW 101510