

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 ResourcesForm C-103  
October 13, 2009

RECEIVED

NOV 08 2010

HOBSOCD

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-01005

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil &amp; Gas Lease No.

## 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

7. Lease Name or Unit Agreement Name  
Kelsay

8. Well Number #1

9. OGRID Number

247692

10. Pool name or Wildcat

Bagley Permo Penn North

4. Well Location

Unit Letter M : 660 feet from the South line and 660 feet from the West line

Section 28 Township 11S Range 33E NMPM Lea County

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

4942' 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.

Please see attached reports for full details of operation during plugging and abandoning this well.

Approved for plugging of well bore only.  
Liability under bond is retained pending receipt  
of C-103 (Subsequent Report of Well Plugging)  
which may be found at OCD Web Page under  
Forms, www.emnrd.state.nm.us/oed.

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: 11-04-10

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

## For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

**Jay Management Company, LLC****2425 West Loop South, Ste 810****Houston, TX 77027****Daily Workover Report of Operations****Well Name: Kelsay #1****AFE #: Kel-1****Field Name: Bagley****County: Lea****Begin Date: 9/12/2010****End Date: 10/29/2010****Sunday, September 12, 2010**

Install anchors on location for workover rig.

Daily Cost: \$1,221.48

Cum Cost: \$1,221.48

**Monday, September 13, 2010**

MIRU. Blow well down. Set rig mats. RU plugging rig.

Daily Cost: \$4,615.00

Cum Cost: \$5,836.48

**Tuesday, September 14, 2010**

Arrive on location. ND wellhead and NU BOPS. Rig broke down. Called mechanic out to work on rig. PU on tubing. Could not release tubing anchor. Work tubing to get anchor released. SIFN.

Daily Cost: \$3,415.00

Cum Cost: \$9,251.48

**Wednesday, September 15, 2010**

Arrive on location. RU Renegade WL unit to run free point to determine where tubing was stuck. Could not get past 1024' w/ logging tools. Work tubing to 120k. Parted top sub. SIFN.

Daily Cost: \$41,491.66

Cum Cost: \$50,743.14

**Thursday, September 16, 2010**

Arrive on location. Blow well down. RIH w/ 3-3/4" overshot to 10'. Latch on to fish. POOH w/ fish. RU pump truck &amp; pump 130 bbls of KCL and soap down tubing on vacuum. RU WL unit &amp; RIH to 1067'. Sat down. POOH. SIFN.

Daily Cost: \$6,922.49

Cum Cost: \$57,665.63

**Friday, September 17, 2010**

Arrive on location. Load out 375 of 7/8" rods @ Jay's yard and haul to location. RU &amp; RIH w/ 2" bowl on 237 rods to 5925'. Tag solid. POOH w/ rods. SIFN.

Daily Cost: \$5,720.00

Cum Cost: \$63,385.63

**Saturday, September 18, 2010**

No activity.

Daily Cost: \$215.00

Cum Cost: \$63,600.63

**Sunday, September 19, 2010**

No activity.

Daily Cost: \$215.00

Cum Cost: \$63,815.63

## Daily Workover Report of Operations

**Well Name: Kelsay #1**

**AFE #:**

**Kel-1**

Monday, September 20, 2010

Daily Cost:	\$4,911.97	Cum Cost:	\$68,727.60
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Tuesday, September 21, 2010

Arrive on location. Rod wore on end (looks like 3/4" box). RIH w/ 20 of 1-1/2" weight bars and 4 of 7/8" rods to bottom at 4100'. Tag up. Tubing bent. POOH & LD rods to weight bars. SIFN. (Believed 4.5" casing collapsed on tubing @ 5900'+/-)

Daily Cost:	\$5,644.50	Cum Cost:	\$74,372.10
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Wednesday, September 22, 2010

Arrive on location. Finish laying down rods & wt bars. Switch tools to 2-3/8" tbg. RU WL unit and to run free point on tubing. SIFN.

Daily Cost:	\$4,265.00	Cum Cost:	\$78,637.10
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Thursday, September 23, 2010

Arrive on location. Run free point log. Attempt to run tubing cutters. Could not get past 4100'. RIH w/ string shot. Set down @ 4100'. RIH w/ 1" split shot. Cut tubing @ 5934'. POOH w/ 5 jts. SIFN.

Daily Cost:	\$4,415.00	Cum Cost:	\$83,052.10
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Friday, September 24, 2010

Arrive on location. Crew pulled and LD 183 jts of 2-3/8" tubing. Used forklift and moved tubing to racks. Set 2-3/8" N80 workstring on racks. SIFN.

Daily Cost:	(\$14,865.00)	Cum Cost:	\$68,187.10
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Saturday, September 25, 2010

No activity

Daily Cost:	\$215.00	Cum Cost:	\$68,402.10
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Sunday, September 26, 2010

No activity

Daily Cost:	\$215.00	Cum Cost:	\$68,617.10
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Monday, September 27, 2010

Arrive on location. PU 3-7/8" shoe and washpipe. RIH & tag up @ 120'. POOH w/ wash pipe. RIH w/ drill collar, string mill & 3 more drill collars. Drill to 122'. SIFN.

Daily Cost:	\$5,125.72	Cum Cost:	\$73,742.82
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Tuesday, September 28, 2010

Arrive on location. Start milling @ 122'. Mill scale & salt to 400'. Circ hole clean. SIFN.

Daily Cost:	\$4,415.00	Cum Cost:	\$78,157.82
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## Daily Workover Report of Operations

**Well Name: Kelsay #1**

**AFE #:**

**Kel-1**

Wednesday, September 29, 2010

Arrive on location. Start milling @ 400'. Mill down to 1003'. Circ hole clean. SIFN.

Daily Cost:	\$4,415.00	Cum Cost:	\$82,572.82
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Thursday, September 30, 2010

Arrive on location. Start milling @ 1003'. Mill down to 2600'. Circ hole clean. SIFN.

Daily Cost:	\$5,340.00	Cum Cost:	\$87,912.82
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Friday, October 01, 2010

Arrive on location. Start milling @ 1003'. Mill down to 2600'. Circ hole clean. SDFN.

Daily Cost:	\$4,415.00	Cum Cost:	\$92,327.82
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Saturday, October 02, 2010

No activity

Daily Cost:	\$215.00	Cum Cost:	\$92,542.82
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Sunday, October 03, 2010

No activity

Daily Cost:	\$215.00	Cum Cost:	\$92,757.82
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Monday, October 04, 2010

Arrive on location. Start milling @ 2600'. Circ hole clean. SDFN.

Daily Cost:	\$2,615.00	Cum Cost:	\$95,372.82
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Tuesday, October 05, 2010

Arrive on location. Start milling. Mill 20' down. Trying to dress off 5.5" casing. POOH. SDFN.

Daily Cost:	\$3,215.00	Cum Cost:	\$98,587.82
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Wednesday, October 06, 2010

Arrive on location. ND well head & NU BOPs. RIH w/ overshot to catch 5.5" casing. POOH w/ 40' of casing. RIH. POOH w/ 40' of casing. RIH. POOH w/ 120' of casing. RIH. Tag up, RU power dwivel and work down. POOH w/ 40' of casing. SDFN.

Daily Cost:	\$6,489.47	Cum Cost:	\$105,077.29
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Thursday, October 07, 2010

Arrive on location. RIH w/ overshot. Latch onto 5.5" casing. POOH w/ 3 jts. RIH w/ overshot. Latch onto 5.5" casing. Pull 40k twice. SDFN.

Daily Cost:	\$4,089.47	Cum Cost:	\$109,166.76
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Friday, October 08, 2010

Arrive on location. RIH w/ overshot. Latch onto 5.5" casing pin. RU WL unit & do backoff on 5.5" casing @ 545'. POOH & LD tools. LD 2 jts of 5.5" casing. RIH w/ new 5.5" N-80 Casing w/ cut lip on bottom jts. Screw back into 5.5" @ 545'. Pull 40K twice. Install casing slips. SDFN.

Daily Cost:	\$19,293.85	Cum Cost:	\$128,460.61
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## Daily Workover Report of Operations

**Well Name: Kelsay #1**

**AFE #:**

**Kel-1**

Saturday, October 09, 2010

No activity.

Daily Cost:	\$215.00	Cum Cost:	\$128,675.61
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Sunday, October 10, 2010

No activity.

Daily Cost:	\$215.00	Cum Cost:	\$128,890.61
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Monday, October 11, 2010

Arrive on location. RU 2-3/8" hydraulic tools. PU & RIH w/ 5.5" AD-1 packer on 10' sub plus 31 jts of tubing to 42'. Set packer. Fill casing w/ water. Cut off 5.5" casing @ wellhead. POOH w/ packer. LD cut off. NU well head & BOPs. RIH w/ 4-3/4" tapered mill, cross over and drill collars to 5600'. Start milling casing to 5602'. POOH. SDFN.

Daily Cost:	\$6,211.47	Cum Cost:	\$135,102.08
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Tuesday, October 12, 2010

Arrive on location. Start milling @ 5602'. Mill down to 5630'. POOH & SDFN.

Daily Cost:	\$5,215.00	Cum Cost:	\$140,317.08
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Wednesday, October 13, 2010

Arrive on location. Start milling @ 5630'. Mill down to 5685'. Return small amount of metal & formatin. Circ hole clean. RD power dwivel. SDFN.

Daily Cost:	\$5,515.00	Cum Cost:	\$145,832.08
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Thursday, October 14, 2010

Arrive on location. Start milling. Mill for 2 hours, not making any hole. POOH w/ 4-3/4" string mill & collars. RIH w/ muleshoe & cut rite on upset on 12 degree bent jt to 5580'. Work muleshoe to 300'. PU. SDFN.

Daily Cost:	\$5,789.47	Cum Cost:	\$151,621.55
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Friday, October 15, 2010

Arrive on location. Finish POOH w/ muleshoe jt. RIH w/ 4.75" flat bottom mill to 5600'. Start milling casing. Mill to 5604'. Circ hole clean. POOH. SIFN.

Daily Cost:	\$5,365.00	Cum Cost:	\$156,986.55
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Saturday, October 16, 2010

No activity

Daily Cost:	\$215.00	Cum Cost:	\$157,201.55
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## Daily Workover Report of Operations

**Well Name: Kelsay #1**

**AFE #:**

**Kel-1**

Sunday, October 17, 2010

No activity

Daily Cost: \$215.00

Cum Cost: \$157,416.55

Monday, October 18, 2010

Arrive on location. Start milling casing w/ 4.75" concave mill. Mill to 5645'. POOH. Circ hole clean. SIFN.

Daily Cost: \$5,215.00

Cum Cost: \$162,631.55

Tuesday, October 19, 2010

Arrive on location. Continue milling on casing w/ concave mill to 5654'. Contact NMOCD. POOH. Standback tubing. LD BHA. Start in hole w/ 5.5" AD-1 packer. SIFN.

Daily Cost: \$5,365.00

Cum Cost: \$167,996.55

Wednesday, October 20, 2010

Arrive on location. Finish RIH w/ 5.5" packer. Set packer @ 5591'. Test 5.5" casing - leaking. Load tubing & pressure up to 1000#. Pressure held. Contact NMOCD. Pull up hole & isolate casing leak @ 620'. Contact NMOCD. POOH. Close well in. SIFN.

Daily Cost: \$4,915.00

Cum Cost: \$172,911.55

Thursday, October 21, 2010

Arrive on location. Contact NMOCD. RU WL & perf 8 holes @ 5672'. RIH w/ 5.5" AD-1 packer to 5591'. Set packer. Load tubing w/ 2 bbls & pressure perfs to 1000#. Circ up 5.5" casing around packer. Pull up hole 10 stands to 5291'. There is communication up 5.5" casing. Contact NMOCD. POOH w/ packer & WOO. SIFN.

Daily Cost: \$7,915.00

Cum Cost: \$180,826.55

Friday, October 22, 2010

Arrive on location. RIH w/ drill collars. POOH while LD. RIH w/ wash pipe. POOH while LD. Rih w/ 5.5". Circ on 2-3/8" tubing to 5100'. Leave cement retainer swinging. Close well in. SIFN.

Daily Cost: \$6,515.00

Cum Cost: \$187,341.55

Saturday, October 23, 2010

No activity.

Daily Cost: \$215.00

Cum Cost: \$187,556.55

Sunday, October 24, 2010

No activity.

Daily Cost: \$215.00

Cum Cost: \$187,771.55

Monday, October 25, 2010

Arrive on location. RIH w/ 25 jts of tubing. Circ @ 5591'. Pump thru cement retainer. Set retainer. Establish injection rate of 1/2 bpm @ 600#. Mix & pump cement. Lockdown w/ 5 bbls in leak. Sting out of retainer. Spot 40 sxs of lcass C cement on top of retainer. POOH w/ pipe. RIH w/ 2-3/8" open ended to 5000'. Pull up to 4000'. Circ hole clean. POOH. SIFN.

Daily Cost: \$4,915.00

Cum Cost: \$192,686.55

Tuesday, October 26, 2010

Arrive on location. RU WL unit & perf @ 3875'. RIH w/ 5.5" AD-1 packer to 3600'. Establish injection rate up 8-5/8" casing @ 2 bpm w/ 400#. Contact NMOCD. Squeeze 50 sxs of class C cement. Displace below packer. SIFN.

Daily Cost: \$5,865.00

Cum Cost: \$198,551.55

## Daily Workover Report of Operations

**Well Name: Kelsay #1**

**AFE #: Kel-1**

Wednesday, October 27, 2010

Arrive on location. Release packer & RU WL. RIH w/ sinker bar to 3900'. No tag. Set packer @ 3600'. Load tubing & pressure up to 1200#. Contact NMOCD. POOH w/ packer. RIH open ended w/ 2-3/8" tubing to 3925'. Mix & spot 25 sxs of class C cemtn. WOC 2 hours. Circ hole w/ mud. RIH w/ sinker bar & tag. TOC @ 3650'. RIH & Perf 5.5" casing @ 1650'. Close well in. SIFN.

Daily Cost: \$6,090.00

Cum Cost: \$204,641.55

Thursday, October 28, 2010

Arrive on location. RIH w/ 5.5" AD-1 packer to 1350'. Squeeze perms @ 1650' w/ 35 sxs of class C cement. WOC & Tag @ 1445'. Pull up the hole to 300'. Perf 5.5" casing @ 425'. Circ cement to surface of 5-1/2" & 8-5/8" casing. ND BOPs. SIFN.

Daily Cost: \$5,715.00

Cum Cost: \$210,356.55

\* Friday, October 29, 2010

Arrive on location. RD rig. Clean location. Dig out well head & anchors. Weld on P&A plate. Load & haul 240 jts of 2-3/8" N80 to Tatum yard. Road rig to yard.

Daily Cost: \$6,515.00

Cum Cost: \$216,871.55

Saturday, October 30, 2010

Daily Cost: \$0.00

Cum Cost: \$216,871.55