

RECEIVED

OIL CONSERVATION DIVISION

MAR 16 2011 1220 South St. Francis Dr.

HOBBSDO Santa Fe, NM 87505

WELL API NO.
30-025-31381

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E 26

7. Lease Name or Unit Agreement Name

STATE OG SWD - 548

8. Well Number

2

9. OGRID Number

247692

10. Pool name or Wildcat

SWD: CISCO SWD: STRAWN

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 ☒ SWD

2. Name of Operator

JAY MANAGEMENT, LLC

3. Address of Operator

2425 WEST LOOP SOUTH - STE 810; HOUSTON, TX 77027

4. Well Location

Unit Letter L : 660 feet from the WEST line and 1980 feet from the SOUTH line

Section 9 Township 11-S Range 33-E NMPM County LEA

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

3291.8

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.

1. Lost positive pressure between tubing and casing annulus. Well takes fluid on vacuum. Casing now on vacuum.

2. Plan to rig up a pulling unit, pull tubing, and repair.

Per Underground Injection Control Program Manual

11.6 C Packer shall be set within or less than 100

feet of the uppermost injection perfs or open hole.

Condition of Approval: Notify OCD Hobbs

office 24 hours prior of running MIT Test & Chart

Spud Date:

As soon as pulling unit is available

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Ron Gilbreath

TITLE

Production Manager

DATE

15-Mar-2011

Type or print name

Ron Gilbreath

E-mail address:

rgilbreath@isramco-jay.com

PHONE:

713 / 621 - 5946

For State Use Only

APPROVED BY

E. Gonzalez

TITLE

Staff MGR

DATE

3-17-2011

Conditions of Approval (if any):