

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

PO Drawer DD, Artesia, NM 88211-0719

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-104

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

5 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

☒ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator Name and Address Devon Energy Production Company, LP 20 N. Broadway, Suite 1500 Oklahoma City, OK 73102-8260		² OGRID Number 6137	
		³ Reason for Filing Code NW	
⁴ API Number 30-015-32960	⁵ Pool Name Avalon Morrow		⁴ Pool Code 70920
⁷ Property Code 32749	⁸ Property Name Penlon 22 State		⁹ Well Number 2

II. ¹⁰ Surface Location

UI or lot no. G	Section 22	Township 20S	Range 27E	Lot.Idn	Feet from the 1980	North/South Line North	Feet from the 1980	East/West Line East	County Eddy
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¹¹ Bottom Hole Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
¹² Lse Code S	¹³ Producing Method Code Flowing		¹⁴ Gas Connection Date 11/24/2003		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID 036785	¹⁹ Transporter Name and Address Duke P.O. Box 50020 Midland, TX 79710-0020	²⁰ POD	²¹ O/G G	²² POD ULSTR Location and Description
232523	Mission Petroleum Carriers Inc. P.O. Box 87788 Houston, TX 77287		O	RECEIVED DEC 14 2005 OOD-ARTESIA

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

²⁵ Spud Date 9/23/2003	²⁶ Ready Date 11/24/2005	²⁷ TD 11,172'	²⁸ PBDT 11,117'	²⁹ Perforations 10,780'-10,788'	³⁰ DHC, DC, MC
³¹ Hole Size 17 1/2"		³² Casing & Tubing Size 13 3/8"		³³ Depth Set 502'	³⁴ Sacks Cement 925 sx
10 3/4"		8 5/8"		2204'	950 sx
7 7/8"		5 1/2"		11,172'	2225 sx TOC 50'

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date 11/24/2005	³⁷ Test Date 12/6/2003	³⁸ Test Length 24	³⁹ Tbg. Pressure 1650	⁴⁰ Csg. Pressure 110
⁴¹ Choke Size	⁴² Oil 0	⁴³ Water 0	⁴⁴ Gas 2,056	⁴⁵ AOF	⁴⁶ Test Method

"I hereby certify that the rules of the Oil Conservation division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed Name: **Stephanie A. Ysasaga**Title: **Senior Engineering Technician**Date: **12/13/2005**Phone: **(405) 552-7802**

Approved by:

Title:

Approval Date:

DEC 15 2005

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
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Submit 3 Copies To Appropriate District 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 Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 005-63752
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. JA 2401
7. Lease Name or Unit Agreement Name Louise Yates State
8. Well Number 5
9. GRID Number 26307
10. Pool name or Wildcat WOLF Lake
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3888 GL
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls Construction Material _____

SUNDY 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 **Jalapeño Corporation**

3. Address of Operator **PO Box 1608, Albuquerque, NM 87103**

4. Well Location
Unit Letter **C** : **380** feet from the **North** line and **1650** feet from the **West** line
Section **7** Township **9-S** Range **28-E** NMPM County **Chaves**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3888 GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This well was to be drilled with a cable tool rig. A rotary has become available. Thus, the plan has changed. We will drill to 2,200 FT. with United Drilling Air Rig + "Tail in" the hole to TD with a cable tool rig. The cable tool rig will drill approx 200 FT. Other parts of the plan remain the same. See attached approved application. Also see Rotary BOP attached.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Harvey Yates TITLE President DATE 9/8/05

Type or print name TIM W. GUM E-mail address: _____ Telephone No. _____
For State Use Only

APPROVED BY: _____ TITLE _____ DATE SEP 09 2005
Conditions of Approval (if any): _____

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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

SEP - 9 2005

Form C-101
May 27, 2004

RECEIVED Submit to appropriate District Office
MAY 23 2005 ☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Jalapeno Corporation P.O. Box 1608 Albuquerque, NM 87103		OGRID Number 02637 26307
Property Code 28049	Property Name Louise Yates State	API Number 30-005-63752
Proposed Pool 1 Wolf Lake San Andres, South 65075		Proposed Pool 2 5

Surface Location									
UL or lot no. C	Section 7	Township 9-S	Range 28-E	Lot Idn	Feet from the 380	North/South line North	Feet from the 1650	East/West line West	County Chaves

Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code 0	Cable/Rotary C	Lease Type Code S	Ground Level Elevation 3888
Multiple No	Proposed Depth 2400	Formation San Andres	Contractor South East Drilling	Spud Date 05/10/05
Depth to Groundwater 175-200 FT		Distance from nearest fresh water well 1 1/2 mi		Distance from nearest surface water 250 feet 10 pto
Pit: Liner: Synthetic <input type="checkbox"/> 20 mils thick Clay <input type="checkbox"/> Pit Volume: 1900 bbls Drilling Method: Cable Tool				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	23#	450	Circulate	Surface
7 7/8	5 1/2	17#	2400	2005X	1800

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

We propose to drill this well using a cable tool rig to an estimated TD of 2400' to test the slaughter zone of the San Andres. If the well is productive, we will complete it by running & cementing 5 1/2" 17# casing. If it is not productive, we will plug it following required plugging procedures. The blowout prevention program: Henderlite Control Head. No abnormal temperatures or pressures are expected. Because this location is close to a livestock watering hole, the location will be fenced prior to drilling.

(SEE ATTACHED SHEET ADDRESSING RULE 118 H2S CONTINGENCY PLAN)

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ a general permit ☐ or as (attached) alternative ☐

Printed name: **Harvey E. Yates, JR.**

Title: **President**

E-mail Address: **hoyates@men.com**

Date: **4/29/05**

Phone: **505-242-2050**

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

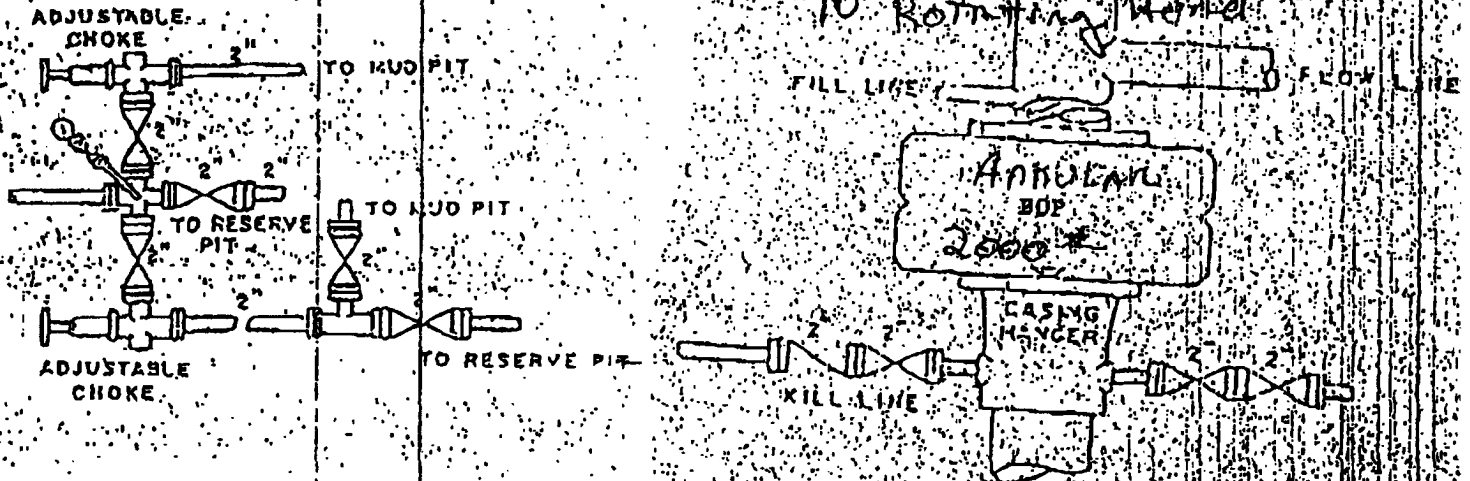
Approval Date: **MAY 24 2005**

Expiration Date: **MAY 24 2006**

Condition:

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

EXHIBIT "F"



ANNULAR BOP STACK

PRESSURE 2000#