

Submit 1 Copy To Appropriate District  
Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

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

WELL API NO.	30-005-64290
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VO 9723
7. Lease Name or Unit Agreement Name	Lizard 20 State
8. Well Number	1
9. OGRID Number	26307
10. Pool name or Wildcat	WILDCAT; SAN ANDRES, SOUTH
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3861 GL

**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 JALAPENO CORPORATION

3. Address of Operator PO BOX 1608  
ALBUQUERQUE, NM 87103

4. Well Location  
Unit Letter E : 1650 feet from the NORTH line and 660 feet from the WEST line  
Section 20 Township 9-S Range 27-E NMPM County CHAVES

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

WE PLAN TO P&A THE LIZARD 20 STATE #1 THIS FRIDAY, MARCH 25, 2016.  
TD OF THE WELL IS 1953'. WE PROPOSE TO:

1. CEMENT FROM 1953' TO 1712' W/70SX. WOC & TAG @ OR ABOVE 1712.
2. FILL HOLE WITH GEL FROM 1712' TO 1300'.
3. CEMENT FROM 1300' TO 1100' W/70SX. WOC & TAG @ OR ABOVE 1100.
4. FILL HOLE WITH GEL FROM 1100' to 687'.
5. CEMENT FROM 687' TO SURFACE.
6. WAIT FOR CEMENT TO DRY.
7. SET DRY HOLE MARKER.

NM OIL CONSERVATION  
ARTESIA DISTRICT

MAR 24 2016

RECEIVED

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.cmnr.state.nm.us/oed.

Spud Date:

10/5/2015

Rig Release Date:

**WELL MUST BE PLUGGED BY 3-24-2017**

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

SIGNATURE

*Harvey E. Yates Jr.*

TITLE PRESIDENT

DATE 03/22/2016

Type or print name Harvey E. Yates Jr.

E-mail address: eyates@jalapenocorp.com

PHONE: 505-242-2050

For State Use Only

APPROVED BY:

*Rahel 2 Byrd*

TITLE COMPLIANCE OFFICER

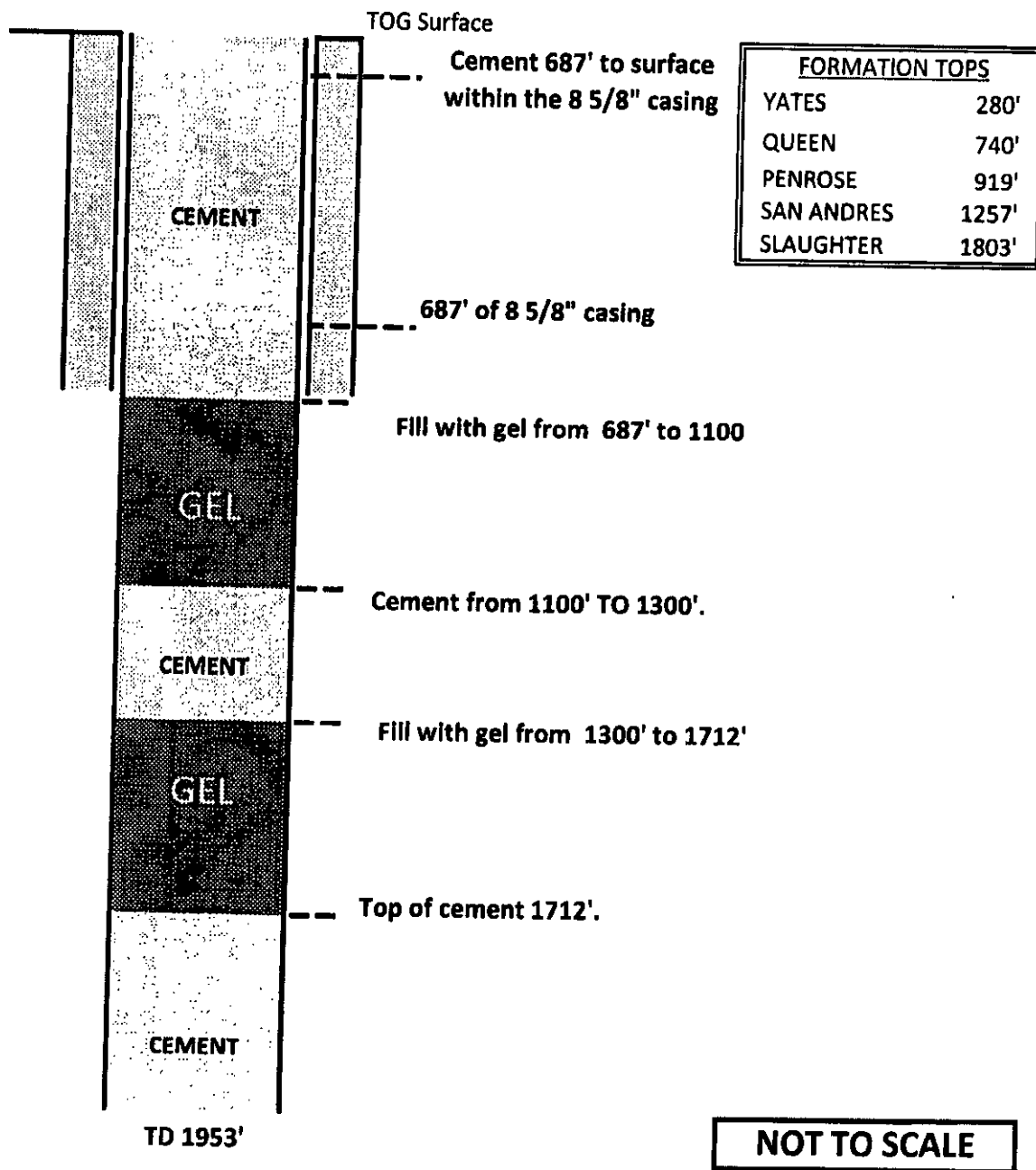
DATE 3/24/2016

Conditions of Approval (if any):

OFFICE- 575-748-1283 EXT 115  
MOBILE- 575-626-0836

**SEE ATTACHED POA-S**

**SCHEMATIC AFTER PLUG AND ABANDON**  
**JALAPENO CORPORATION**  
**LIZARD 20 STATE #1**  
**CHAVES COUNTY, NEW MEXICO**  
**API NO. 30-005-64290**



**NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283**

**CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT**

**Operator:** \_\_\_\_\_  
**Well Name & Number:** \_\_\_\_\_  
**API #:** \_\_\_\_\_

1. Produced water will not be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged **ONLY**. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**
9. **Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.**
10. **Plugs may be combined after consulting with and getting approval from NMOCD.**
11. **Minimum WOC time for tag plugs will be 4 Hrs.**
12. **19.15.7.16 : B.** In the case of a dry hole, a complete record of the well on form C-105 with the attachments listed in Subsection A of 19.15.7.16 NMAC shall accompany the notice of intention to plug the well, unless previously filed. The division shall not approve the plugging report or release the bond the operator has complied with 19.15.7.16 NMAC.

**DATE:**

**APPROVED BY:**

## GUIDELINES FOR PLUGGING AND ABANDONMENT

### DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
  - Fusselman
  - Devonian
  - Morrow
  - Wolfcamp
  - Bone Spring
  - Delaware
  - Any Salt Section (Plug at top and bottom)
  - Abo
  - Glorieta
  - Yates (this plug is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).