

***Jalapeño Corporation***  
***P.O. Box 1608***  
***Albuquerque, NM 87103-1608***  
***Phone: (505) 242-2050 Fax: (505) 242-8501***

RECEIVED  
SEP 29 2005  
OGB-ARTESIA

September 26, 2005  
SENT VIA FACSIMILE  
(505) 748-9720

Oil Conservation Division, Artesia  
1301 W. Grand  
Artesia, NM 88210

RE: Louise Yates State #5  
Well API NO. 30-005-63752  
S. 7, T. 9S, R. 28E  
Chaves, County

Ladies and Gentlemen:

Last week we advised you of our intent to set and cement surface casing on Tuesday September 27<sup>th</sup>; however, drilling is going more slowly than anticipated on the subject well and surface casing will not be run until Wednesday September 28<sup>th</sup>. We will call tomorrow to give you a time.

Please feel free to contact our office with any questions.

Yours truly,

  
Jennifer L. Morris

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. VA 2401
7. Lease Name or Unit Agreement Name Louise Yates State
8. Well Number 5
9. OGRID Number 26307
10. Pool name or Wildcat Wolf Lake

**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  
P.O. 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-A Range 28E NMPM County Chaves

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

Pit or Below-grade Tank Application ☐ or Closure ☐

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 \_\_\_\_\_

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Well Spudded ☒

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.

Saturday September 24, 2005, spudded well by setting conductor pipe.

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jennifer L. Morris TITLE Operations DATE 9/26/05

Type or print name: Jennifer L. Morris. E-mail address: personnel3@msn.com

Telephone No. 505-242-2050

For State Use Only

FOR RECORDS ONLY

SEP 30 2005

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):