

30-005-64212

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
Revised July 18, 2013

ARTESIA DIS

Minerals and Natural Resources

Oil Conservation Division

NM OIL CONSERVATION
AMENDED REPORT
ARTESIA DISTRICT

1220 South St. Francis Dr.

SEP 19 2014

Santa Fe, NM 87505

RECEIVED

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

Operator Name and Address JALAPENO CORPORATION PO BOX 1608 ALBUQUERQUE, NM 87103		OGRID Number 26307
Property Code 40272		API Number 30-005-64212
Property Name KOBE 22 STATE		Well No. 001Y73

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
E	22	9-S	27-E		2190	NORTH	280	WEST	CHAVES

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name WOLFLAKE; SAN ANDRES, S.	Pool Code 65075
---------------------------------------	--------------------

Additional Well Information

Work Type NEW WELL	Well Type OIL	Cable/Rotary CABLE	Lease Type STATE	Ground Level Elevation 3861'
Multiple NO	Proposed Depth 2100	Formation SAN ANDRES	Contractor JALAPENO CORPORATION	Spud Date
Depth to Ground water 135	Distance from nearest fresh water well appr. 4.5 miles		Distance to nearest surface water appr. 4.25 miles	

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12 1/4	8 5/8	24#	400'	250 sx	Surface
Production	7 7/8	5 1/2	15.5#	2100'	275 sx	1600'

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Pressure System Schematic	2000 PSI	2000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.

Signature: *H. Emmons Yates III*

Printed name: H. Emmons Yates III

Title: Vice President

E-mail Address: eyates@jalapenocorp.com

Date: _____ Phone: 505-242-2050

OIL CONSERVATION DIVISION

Approved By: *T. C. Shepard*
"Geologist"

Title: _____

Approved Date: 9-19-2014 Expiration Date: 9-19-2016

Conditions of Approval Attached

Cannot Produce until Non Standard Location is approved. 105

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-102

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised August 1, 2011

Submit one copy to appropriate District Office

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III

1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RECEIVED NM OIL CONSERVATION

ARTESIA DISTRICT

SEP 19 2014

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-64212	Pool Code 65075	Pool Name Wolf Lake, San Andres, S.	RECEIVED
Property Code 40272	Property Name KOBE 22 STATE		Well Number 1Y
OGRID No. 26307	Operator Name JALAPENO CORPORATION		Elevation 3860'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	22	9-S	27-E		2190	NORTH	280	WEST	CHAVES

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
------------------------------	-----------------	--------------------	-----------

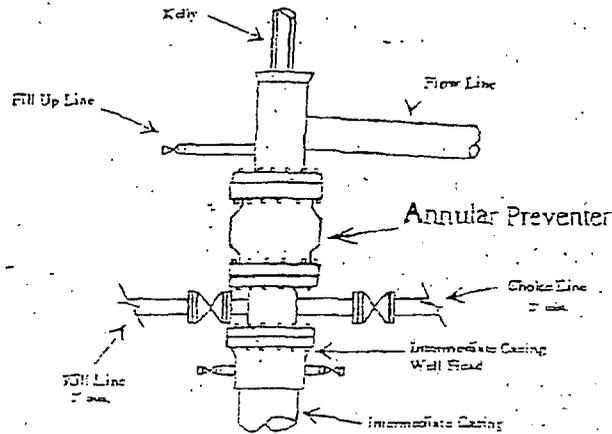
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>GEODETC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=916583.1 N X=544185.2 E</p> <p>LAT.=33.519582° N LONG.=104.188356° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>H. Emmons Yates</i> 9/18/14 Signature Date</p> <p>H. Emmons Yates Printed Name</p> <p>eyates@jalapenocorp.com E-mail Address</p>
		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>AUGUST 28, 2014 Date of Survey</p> <p><i>Ronald J. Eidson</i> Signature of Professional Surveyor:</p> <p>NEW MEXICO REG. SURVEYOR 3239</p> <p><i>Ronald J. Eidson</i> 09/16/2014 Certificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239</p>
		<p>LSL JWSC W.O.: 14.11.0937</p>

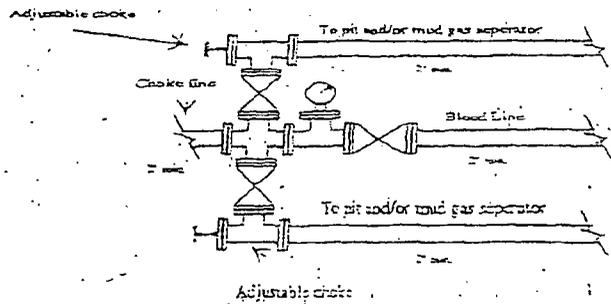
JALAPENO CORPORATION

KOBE 22 STATE #1Y

2,000 psi Pressure System
Schematic

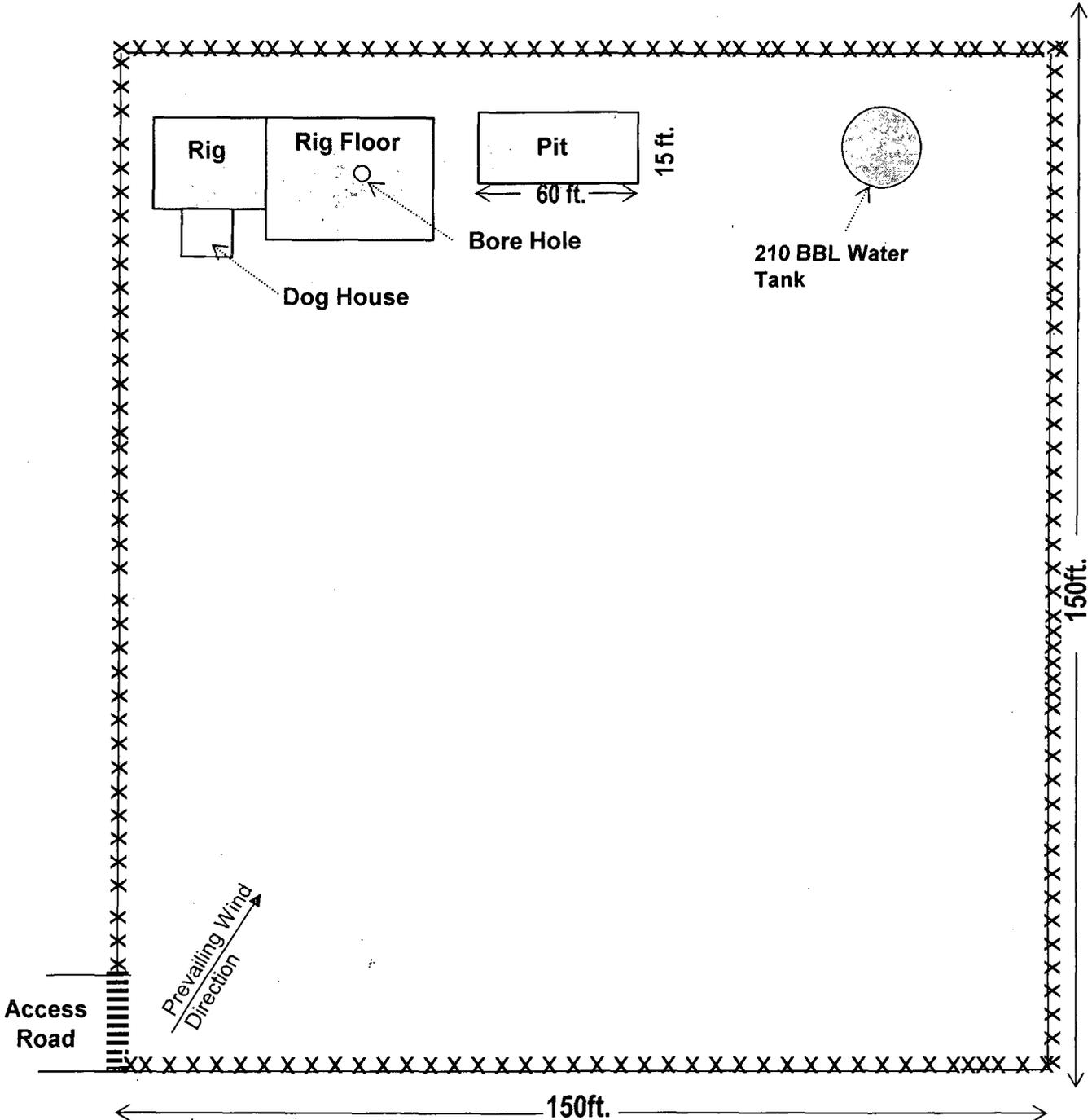
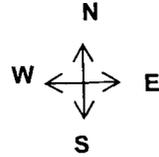


Typical 2,000 psi choke manifold assembly with at least these minimum features



JALAPENO CORPORATION

KOBE 22 STATE #1Y



LEGEND	
...xxx...	Fence
...	Cattle guard

SEC. 22 TWP. 09S RGE. 27E
COUNTY CHAVES STATE NEW MEXICO
DESCRIPTION 2190 FNL & 280 FWL

NOT TO SCALE

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

September 18, 2014

Oil Conservation Division
District II
811 South First Street
Artesia, NM 88210

RE: Kobe 22 State #1Y

Dear Sir or Madam:

We are submitting this new application to drill the Kobe 22 State #1Y because we had to plug the Kobe 22 State #1. Geologically our best option is to move to the west which we have done. Our current location puts us 280 FWL but we hope this is not a problem because Jalapeno Corporation has the lease directly west of the Kobe 22 State #1Y proposed location.

If you have any questions or need further information, you can contact me at the numbers listed above or by e-mail at eyates@jalapenocorp.com.

Sincerely,



H. Emmons Yates
Jalapeno Corporation
Vice President

NM OIL CONSERVATION
ARTESIA DISTRICT

SEP 18 2014

RECEIVED

Permit Conditions of Approval

API: 30-005-64212

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string



Cannot produce until NMOCD approval of NSL is approved