

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003 WELL API NO.: 30-005-63762 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. VO 7065	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Scrangler State	
b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>				8. Well No. 1	
2. Name of Operator Jalapeno Corporation				9. Pool name or Wildcat Wolf Lake South	
3. Address of Operator PO Box 1608, Albuquerque, NM 87103					
4. Well Location Unit Letter <u>A</u> : <u>412'</u> Feet From The <u>North</u> Line and <u>330'</u> Feet From The <u>East</u> Line Section <u>13</u> Township <u>9S</u> Range <u>27E</u> NMPM County <u>Chavez</u>					
10. Date Spudded 10/17/05	11. Date T.D. Reached 12/23/05	12. Date Compl. (Ready to Prod.) 2/25/06	13. Elevations (DF& RKB, RT, GR, etc.) 3877 GL	14. Elev. Casinghead 3877	
15. Total Depth 2288	16. Plug Back T.D. 2265	17. If Multiple Compl. How Many Zones? 1 zone	18. Intervals Drilled By United Drilling	Rotary Tools Surface to 2043ft	Cable Tools 2043 to 2288 SE Drilling
19. Producing Interval(s), of this completion - Top, Bottom, Name 2208-2256 Slaughter portion of the San Andres				20. Was Directional Survey Made Yes by driller	
21. Type Electric and Other Logs Run DLL/MGRD, SDDT, Bond & Perforation				22. Was Well Cored No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 lb	500 ft	12 1/2"	360 sacks	101 sack to pit
5 1/2"	634 ft of 15.5 lb	2282.42 ft	7 7/8"	300 sacks	none
	& 1648ft of 17 lb.				
24. LINER RECORD N/A					
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	
25. TUBING RECORD					
SIZE	DEPTH SET	PACKER SET			
2 3/8"	2233 ft	none			
26. Perforation record (interval, size, and number of perforations) <div style="display: flex; justify-content: space-between;"> <div> 2208-2210 2 perf. 2228-2233 6 perf. 2236-2242 13 perf. 2248-2256 9 perf. </div> <div style="text-align: center;"> RECEIVED MAR 13 2006 CCU-ARTESIA </div> <div> 2 DEPTH INTERVAL 2208-2256 AMOUNT AND KIND MATERIAL USED 3,000 gal. HCL </div> </div>					
28. PRODUCTION					
Date First Production 2/27/06		Production Method (Flowing, gas lift, pumping - Size and type pump) Pump 2" tubing pump		Well Status (Prod. or Shut-in) Production	
Date of Test 2/27-2/28/06	Hours Tested 24	Choke Size 2"	Prod'n For Test Period	Oil - Bbl 46	Gas - MCF None-not measurable
				Water - Bbl. 17	Gas - Oil Ratio N/A
Flow Tubing Press. Pumping	Casing Pressure 10 pounds	Calculated 24-Hour Rate	Oil - Bbl. 46	Gas - MCF Not measurable	Water - Bbl. 17
					Oil Gravity - API - (Corr.) 22
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Run engine & vented					Test Witnessed By Rick Hammond
30. List Attachments Deviation Survey (United Drilling) & above listed electric logs were sent on 1/31/06 with Sundry.					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief <div style="display: flex; justify-content: space-between;"> <div> Signature  E-mail Address: personnel3@msn.com </div> <div> Printed Name Harvey E. Yates, Jr. Title President </div> <div> Date 3/1/06 </div> </div>					

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 420	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen 1070	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 1574	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from 2191 to 2256
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from 385 to 395 feet 10' +-
No. 2, from to feet
No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
420	1,574	1,154	Red beds, Shale, salt + sand				
1,574	2,191	617	Limestone + Anhydrite				
2,191	2,273	82	Dolomite + Limestone + some gyp				