

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION

811 S. FIRST STREET

ARTESIA, NM 88710

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-12557
2. Name of Operator JALAPENO CORPORATION		6. If Indian, Allottee or Tribe Name N/A
3a. Address P. O. BOX 1608, ALBUQUERQUE, NM 87103-1608	3b. Phone No. (include area code) 505-242-2050	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1918' FSL & 450' FWL SEC. 31, T-8S, R-28E		8. Well Name and No. JAN FEDERAL #1
		9. API Well No. 30-005-64154
		10. Field and Pool, or Exploratory Area WILDCAT
		11. County or Parish, State CHAVES COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other DRILLING
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	OPERATIONS
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

DRILLED DOWN TO 467 FEET GL ON FEBRUARY 19TH. RAN 460 FEET 8 5/8" 24 POUND J55 SURFACE CASING. CEMENTED USING 300 SACKS OF CEMENT AND CIRCULATED IT TO SURFACE. THE CASING WAS RUN WITH 8 CENTRALIZERS.

DRILLED DOWN TO TD OF 2324 GL ON FEBRUARY 26TH. WE RAN 2310 FEET OF 5.5" 15.5 POUND J55 PRODUCTION CASING ALONG WITH 14 CENTRALIZERS. WE CEMENTED 500 FEET ABOVE TOP ESTIMATED PERFORATION WITH 240 SACKS OF CEMENT.

NOW WAITING ON COMPLETION RIG.

Accepted for record
NMOCD
10/5
4/9/2012

RECEIVED
APR 5 2012
NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

H. EMMONS YATES

Title GEOLOGICAL ANALYST

Signature

Date

March 16, 2012

ACCEPTED FOR RECORD FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLASS

Title

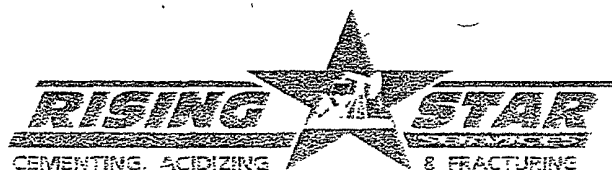
Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1012 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



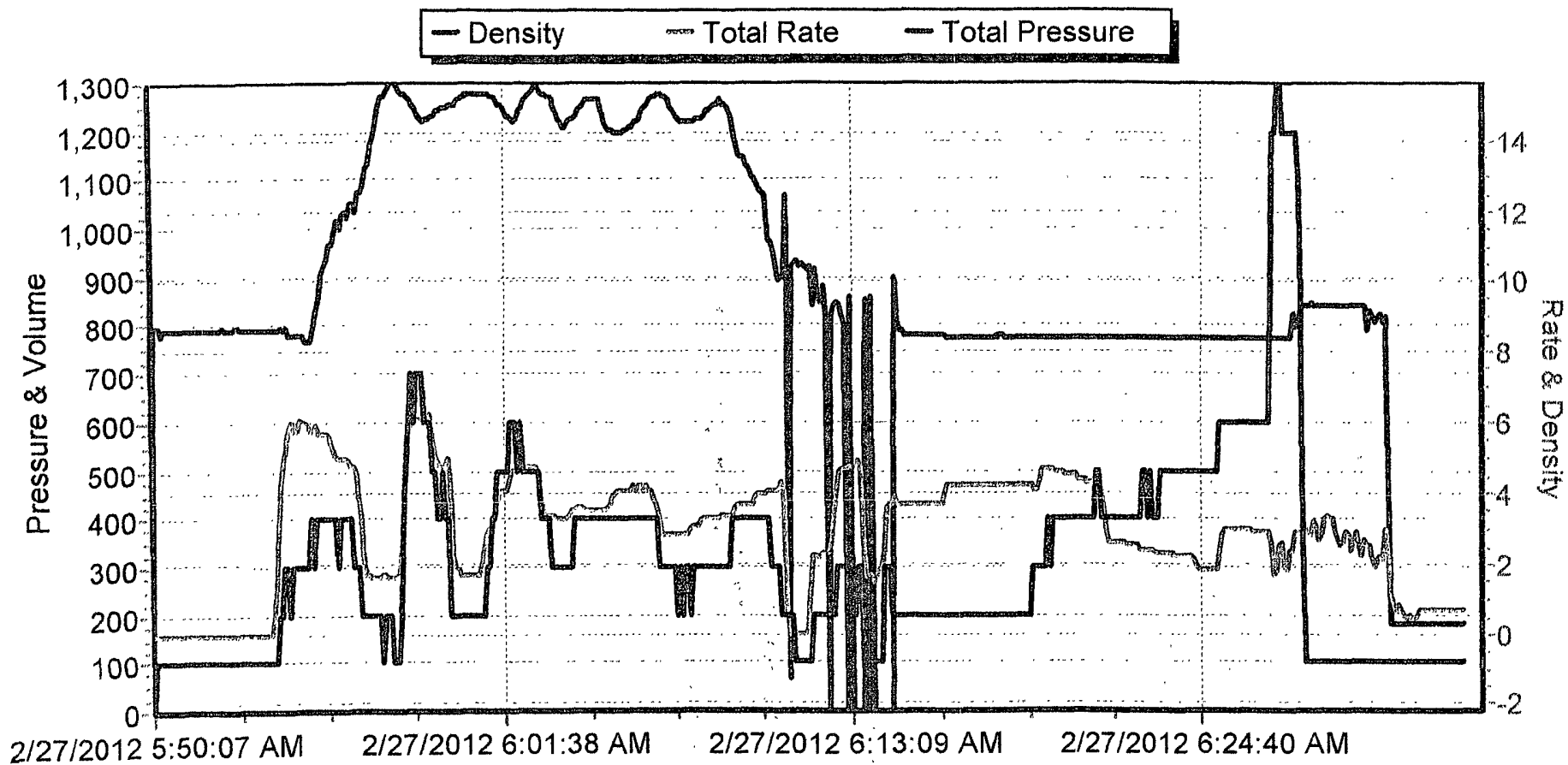
Date: 2/26/12 Time: 800PM
 Truck Called: 2/26/12 800PM
 Arrived at job: 2/27/12 100AM
 Start Job: 2/27/12 420AM
 Finish Job: 2/27/12 528AM
 Leave Location: 2/27/12 600AM

Job Log

RISING STAR SERVICES LP.		Customer Name: JALAPENO CORPORATION		Ticket Number:		H2012-1654	
P.O. BOX 61193		Lease Name: JAN FED		Supervisor:		NATHAN HALL	
MIDLAND, TEXAS 79711		Well #: 1		County:		CHAVEZ	
OFFICE # 432-617-0114		Type of Job: 5.5 PRODUCTION		Customer Representative:		EMMONS YATES	
FAX #432-339-0140		Date: 2/27/2012					
		Casing size:	5.5	Liner size:			
		Casing weight:	15.5	Top of Liner:			
		Total Depth:	2324	Bottom of Liner:			
		Total Pipe:	2322	Annular Volume:		72	
		Open Hole:	7 7/8	BHST:			
		Shoe Joint:	12	BHCT:			
		Displacement:	55 bbls	Maximum:		3000	Psi
		Pre-Flush:	10 bbls				
Sks.		Cement Additives					
Lead Cement: 240		CLASS C+2%CACL2+.4%C-15+.25%R-38					
Cmt. Wt. 14.80		Yield 1.35	Gal/sk 6.32	Mixing Water:		36.11	:bbls
				Total Ft. ³ :		324.00	ft. ³
Middle Cement:							
Cmt. Wt.		Yield	Gal/sk	Mixing Water:			:bbls
				Total Ft. ³ :			ft. ³
Tail Cement:							
Cmt. Wt.		Yield	Gal/sk	Mixing Water:			:bbls
				Total Ft. ³ :			ft. ³
Total sks: 240		Total Bbls. Cmt.: 57.70		Total Water for Job:			
Total Ft. ³ : 324		Total Mix Water: 36.11		100.00		:Bbls	

Acid Systems								
Acid System:		Gallons						
Diverter:		Balls		Coarse Rock Salt				
Injection Rate:		Job Pressures		Job Log Remarks:				
Time	Rate:	Bbls in	Tbg psi					Csq psi
800PM					CALL OUT FOR JOB			
100AM					ARRIVE ON LOCATION-SAFETY MEETING-SPOT EQUIP- FLUFF			
					BULK TRUCK- TEST H2O- TEST CONNECTION- RIG UP ON GROUND			
130AM					WAITING ON LOCAITON			
400AM					RIG UP FLOOR			
420AM	6.25			200	WASH DOWN CASING			
428AM		50			SHUTDOWN AND RIG UP HEAD AND MANIFOLD			
453AM	5			200	START FRESHWATER SPACER			
454AM	3.5	5		400	START CEMENT-240 SACKS AT 14.8PPG			
456AM	3.5			400	SAMPLED AT 14.7PPG			
508AM	3.5			400	WEIGHING AT 14.9PP			
SERVICE REPRESENTATIVE: Signature Please				CUSTOMER REPRESENTATIVE: Signature Please				
NATHAN HALL				X				

JALAPENO JAN FED # 1 5.5 PRODUCTION





Date: 2/19/2012 Time: 8:00PM
 Truck Called: 2/20/2012 11:45PM
 Arrived at job: 2/20/2012 7:08AM
 Start Job: 2/20/2012 4:06PM
 Finish Job: 2/20/2012 6:00PM
 Leave Location: 2/20/2012

Job Log

RISING STAR SERVICES LP.		Customer Name: JALAPENO CORPORATION		Ticket Number: H2012-1623	
P.O. BOX 61193		Lease Name: JAN FED		Supervisor: Richard Bidgood	
MIDLAND, TEXAS 79711		Well #: 1		County: CHAVEZ	
OFFICE # 432-617-0114		Type of Job: 8 5/8 SURFACE		CUSTOMER REPRESENTATIVE: EMMONS YATES	
FAX #432-339-0140		Date: 2/20/2012			
Tubing Size:	N/A	Casing size:	8 5/8	Liner size:	N/A
Tubing weight:	N/A	Casing weight:	24#	Top of Liner:	N/A
Tubing bbl/ft	N/A	Total Depth:	472	Bottom of Liner:	N/A
Retainer depth:	N/A	Total Pipe:	467	Annular Volume:	34.6
Packer depth:	N/A	Open Hole:	12 1/4	BHST:	N/A
Perfs:	N/A	Shoe Joint:	37.70	BHCT:	N/A
Holes in casing:	N/A	Displacement:	27.30 bbls	Maximum:	2000 Psi
		Pre-Flush:	30 bbls		
Sks. Cement Additives					
Lead Cement:	300	CLASS C + 2% CACL2 + 0.25% R-38			
	Cmt. Wt.	14.80	Yield	1.45	Gal/sk 6.34
					Mixing Water: 45.29 :bbls
					Total Ft. ³ : 435.00 ft. ³
Middle Cement:					
	Cmt. Wt.		Yield		Gal/sk
					Mixing Water: :bbls
					Total Ft. ³ : ft. ³
Tail Cement:					
	Cmt. Wt.		Yield		Gal/sk
					Mixing Water: :bbls
					Total Ft. ³ : ft. ³
	Cmt. Wt.		Yield		Gal/sk
					Mixing Water: :bbls
					Total Ft. ³ : ft. ³
Total sks:	300	sks.	Total Bbls. Cmt.:	77.47	:Bbls
Total Ft. ³ :	435	ft. ³	Total Mix Water:	45.29	:Bbls
				113.13	:Bbls

Acid Systems						
Acid System:		Gallons				
Diverter:		Balls		Coarse Rock Salt		
Injection Rate:		Job Pressures		Job Log Remarks:		
Time	Rate:	Bbls in	Tbg psi.			
8:00PM					CALL OUT FOR JOB	
11:45PM					ARRIVE ON LOCATION	
12:00AM					WAIT OFF LOCATION TILL CASING IS RUN	
6:00AM					SAFETY MEETING	
6:15AM					SPOT EQUIPMENT	
6:20AM					RIG UP	
6:45AM					SAFETY MEETING	
7:08AM	0.25	3		2000	PRESSURE TEST	
7:14AM	4	30		250	SALT GEL SPACER	
7:26AM	3	20		200	START CEMENT SLURRY	
8:06AM	2	70		250	SHUT DOWN AND CIRCULATE CEMENT OUT OF HOLE	
SERVICE REPRESENTATIVE: Signature Please		CUSTOMER REPRESENTATIVE: Signature Please				
Richard Bidgood				X		

X

JALAPENO CORPORATION
JAN FED #1
8 5/8 SURFACE

