

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OIL CONSERVATION DIVISION
811 S. FIRST STREET
ARTESIA, NM 88210

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.

5. Lease Serial No.	NM-100542
6. If Indian, Allottee or Tribe Name	N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator JALAPENO CORPORATION	
3a. Address PO BOX 1608, ALBUQUERQUE, NM 87103	3b. Phone No. (include area code) 505-242-2050
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 330' FSL & 330' FEL, SEC. 12, T-9S, R-27E	

7. If Unit of CA/Agreement, Name and/or No.	N/A
8. Well Name and No.	PAISANO FEDERAL #1
9. API Well No.	30-005-63840
10. Field and Pool or Exploratory Area	WOLF LAKE SAN ANDRES, SOUTH
11. County or Parish, State	CHAVES COUNTY, NM

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

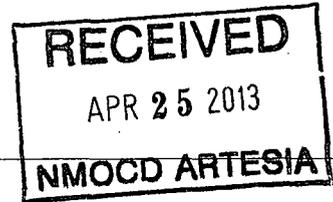
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

- 1/24/13 - 3G WELL SERVICES MOVED ONTO LOCATION.
- 1/25/13 - 3G WELL SERVICES PULLED OLD TUBING OUT OF HOLE AND BEGAN TO TRIP BACK IN.
- 1/26/13 - WITH NEW TUBING, WE SET A RETAINER AT 2175' AND PERFORMED A SQUEEZE JOB ON PERFORATIONS DOWN HOLE(2205'-2230').
- 1/29/13 - WRH ARRIVED AT LOCATION AND BEGAN TO REVERSE CIRCULATE OUT CEMENT TO A DEPTH OF 2242'.
- 2/3/13 - PACE SETTER ARRIVED AT LOCATION AND SPOTTED 2BBLs OF ACID. ROTARY WIRELINE SERVICE THEN PREFORATED FROM 2228'-2231' AND 2237'-2239'. PACESETTER THEN PERFORMED AN ACID JOB USING 2000 GALLONS OF 15% HCL ACID.
- 2/5/13 - 3G WELL SERVICES MOVED OFF LOCATION AND WELL WAS PUT BACK ON PUMP

Accepted for record
NMOC

David R. Glass 4/25/2013



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

H. EMMONS YATES, III

Title VICE PRESIDENT

Signature

H. Emmons Yates, III

Date 03/28/2013

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

APR 18 2013

Title

Date

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

DAVID R. GLASS

PETROLEUM ENGINEER

Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

JW