

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

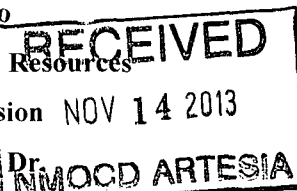
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division NOV 14 2013

1220 South St. Francis Dr.

Santa Fe, NM 87505



Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

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

1. Operator Name and Address JALAPENO CORPORATION PO BOX 1608 ALBUQUERQUE, NM 87103		2. OGRID Number 26307
3. Property Code 40225	4. Property Name COWBOY 27	5. API Number 30-035-20035
		6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	27	13S	10E		2310	NORTH	330	EAST	OTERO

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 WILDCAT, WELL Fusselman	Pool Code 97836
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Additional Well Information

11. Work Type NEW WELL	12. Well Type OIL	13. Cable/Rotary ROTARY	14. Lease Type STATE	15. Ground Level Elevation 5011
16. Multiple NO	17. Proposed Depth 4200	18. Formation Fusselman	19. Contractor United Drilling	20. Spud Date
Depth to Ground water 180		Distance from nearest fresh water well appr. 3 miles		Distance to nearest surface water 2.5 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#	700'	400 SX	Surface
Production	7 7/8	5 1/2	15.5#	4200'	275 SX	3700'

Casing/Cement Program: Additional Comments

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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 <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature:		OIL CONSERVATION DIVISION	
Printed name: H. EMMONS YATES III		Approved By:	
Title: VICE PRESIDENT		Title: "Geologist"	
E-mail Address: eyates@jalapenocorp.com		Approved Date: 11/15/2013 Expiration Date: 11/15/2015	
Date:	Phone: 505-242-2050	Conditions of Approval Attached	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-035-20035	Pool Code 97836	Pool Name WILDCAT; Fussleman
Property Code 40225	Property Name COWBOY 27	Well Number 1
OGRID No. 26307	Operator Name JALAPENO CORPORATION	Elevation 5011'

Surface Location

UL or lot No. H	Section 27	Township 13-S	Range 10-E	Lot Idn	Feet from the 2310	North/South line NORTH	Feet from the 330	East/West line EAST	County OTERO
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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.					

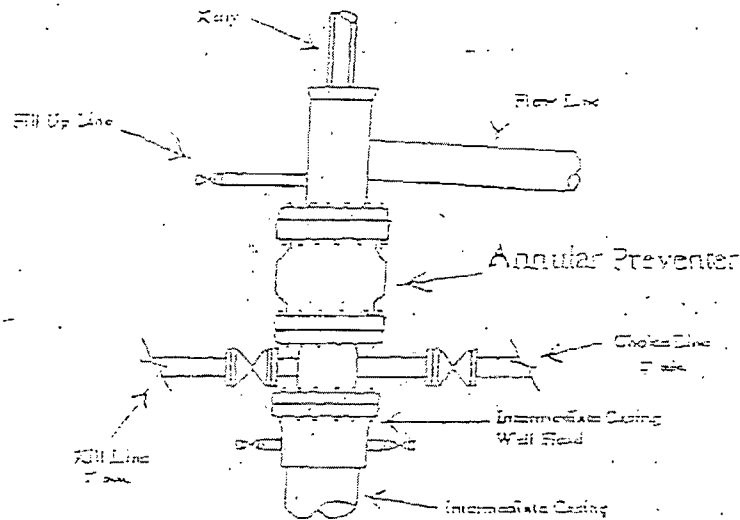
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION 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. Signature H. Emerson Yates II Date Oct 14, 2013 Printed Name H. Emerson Yates II E-mail Address eyates@jalapenocorp.com
	SURVEYOR CERTIFICATION 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. AUGUST 27, 2013 Date of Survey Signature & Seal of Professional Surveyor: Certification Number Gary G. Eidson 12641 Ronald J. Eidson 3239 ACK WSC W.O.: 13.11.0954

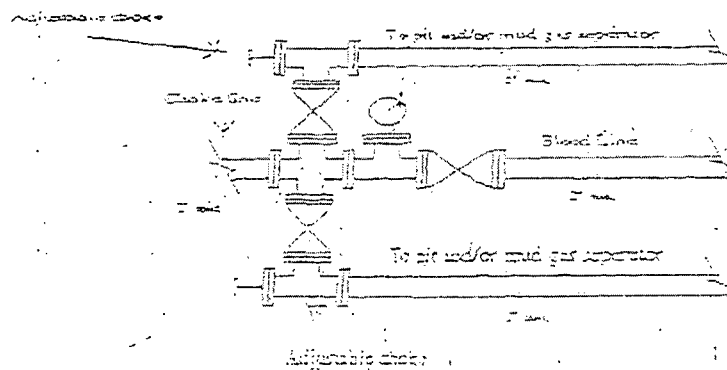
Jalapeno Corporation

Cowboy 27 #1

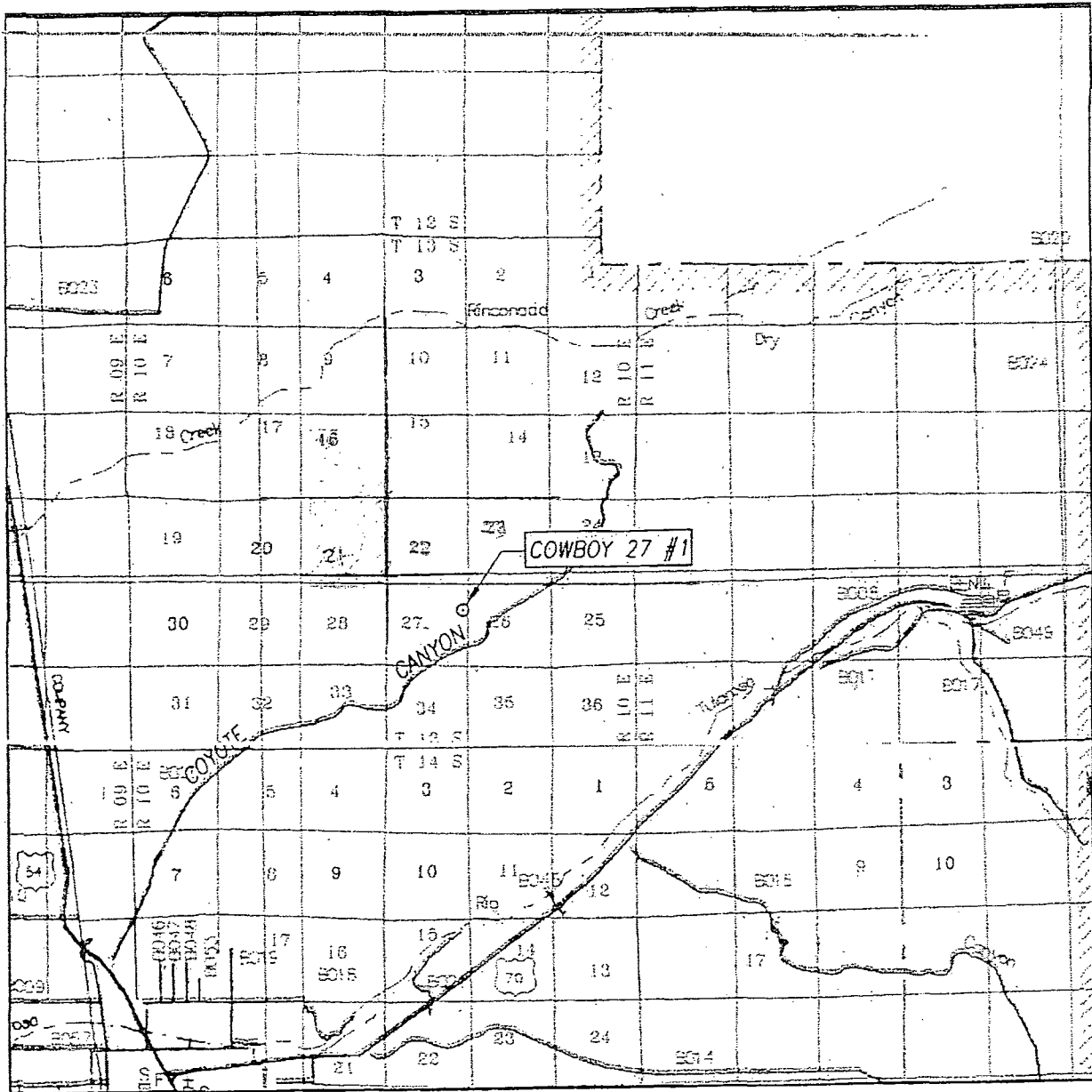
2,000 psi Pressure System
Schematic



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



VICINITY MAP

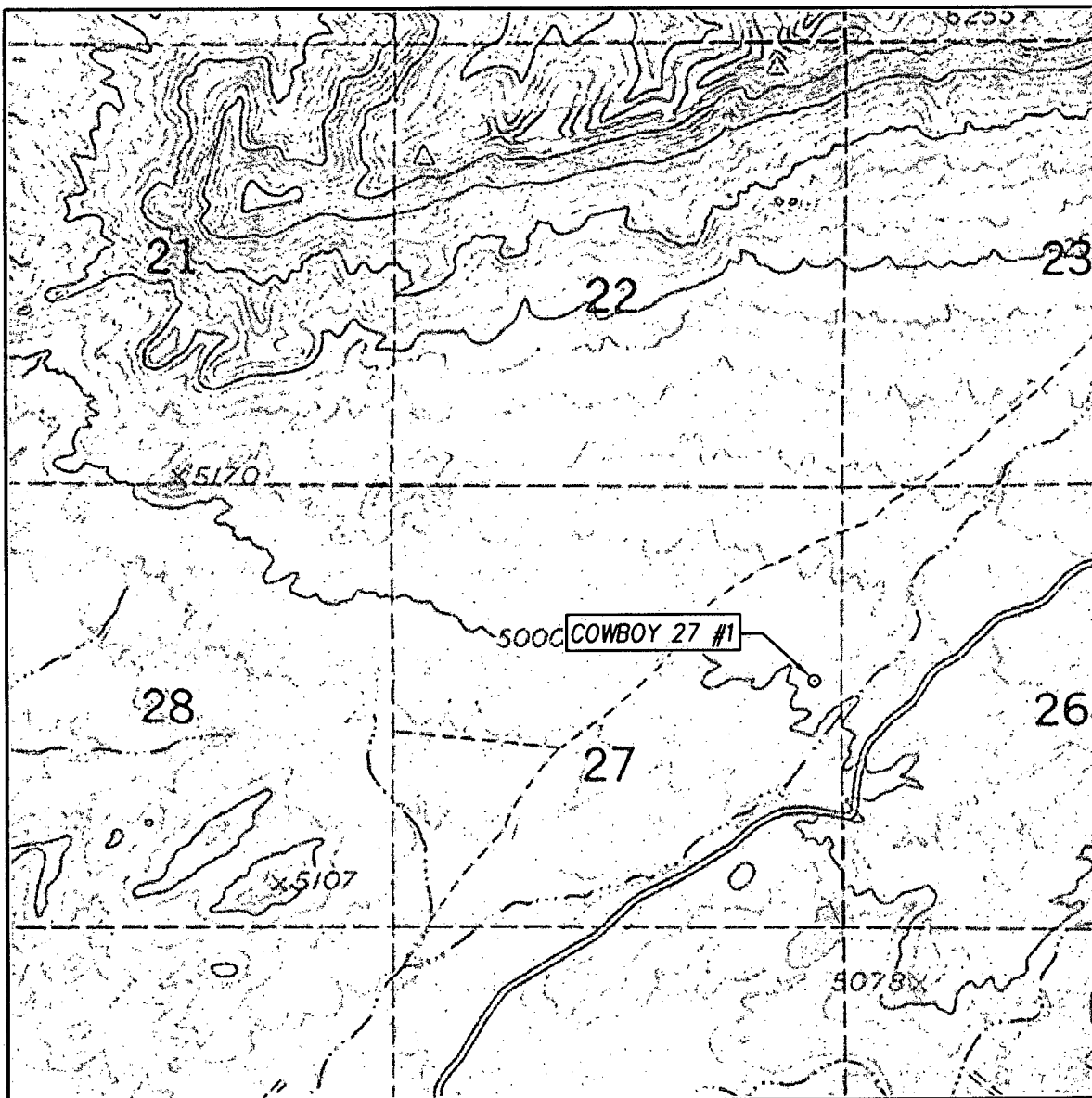


SCALE: 1" = 2 MILES

SEC. 27 TWP. 13-S RGE. 10-E
 SURVEY N.M.P.M.
 COUNTY OTERO STATE NEW MEXICO
 DESCRIPTION 2310' FNL & 330' FEL
 ELEVATION 5011'
 OPERATOR JALAPENO CORPORATION
 LEASE COWBOY 27

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 78240
 (575) 393-3117 www.jwsc.biz

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'
MAP SCALE: 1:62500

CONTOUR INTERVAL:
MESCALERO, N.M. - 50'

SEC. 27 TWP. 13-S RGE. 10-E

SURVEY N.M.P.M.

COUNTY OTERO STATE NEW MEXICO

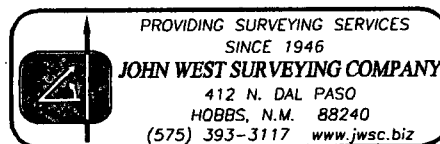
DESCRIPTION 2310' FNL & 330' FEL

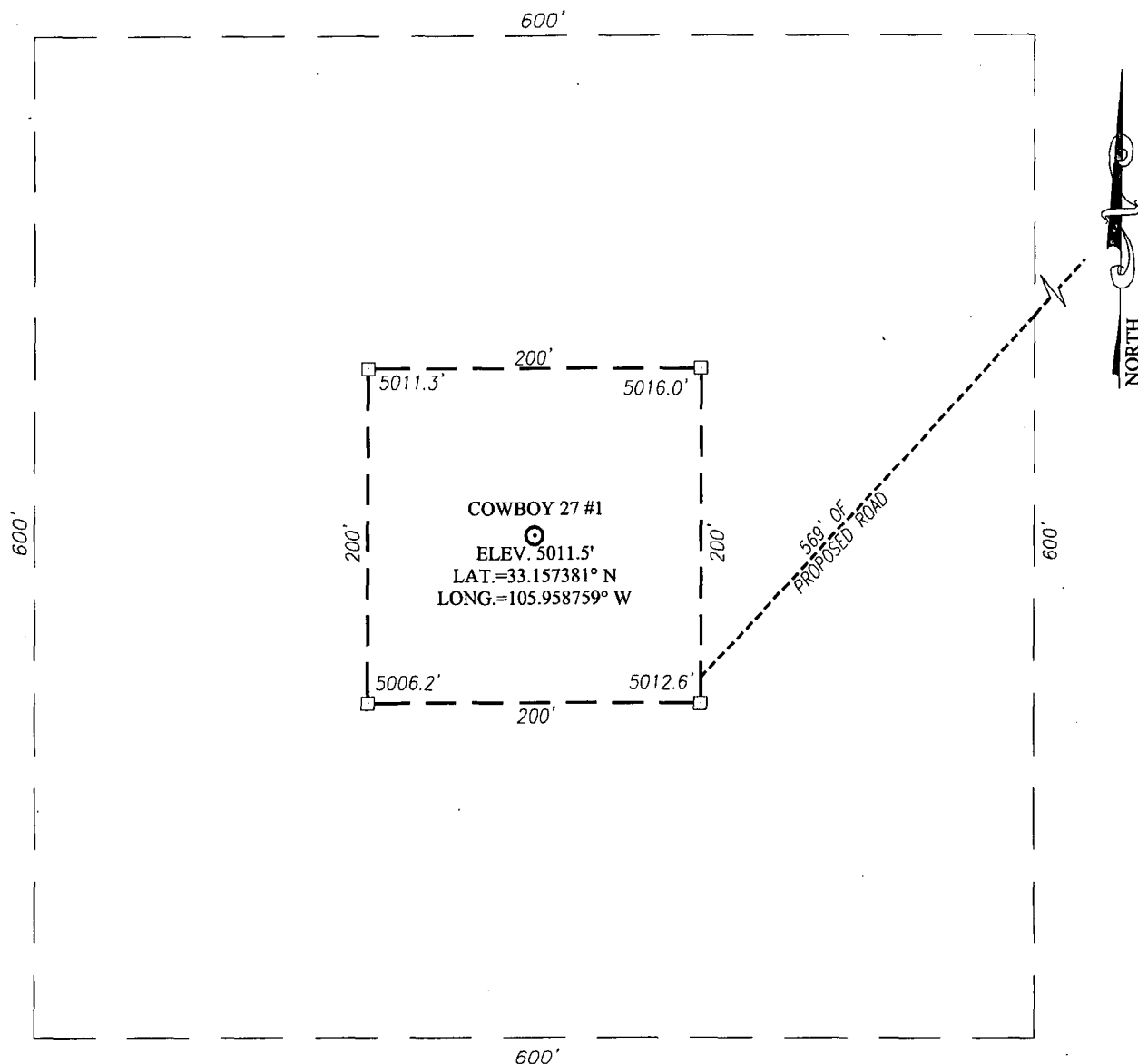
ELEVATION 5011'

OPERATOR JALAPENO CORPORATION

LEASE COWBOY 27

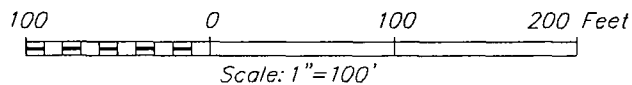
U.S.G.S. TOPOGRAPHIC MAP
MESCALERO, N.M.





DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HIGHWAY 70 AND U.S. HIGHWAY 54 IN TULAROSA, GO NORTHWEST ON HIGHWAY 54 APPROX. 1.55 MILES. TURN RIGHT AND GO NORTH ON COYOTE CANYON (CO.RD. B020) APPROX. 0.25 MILES. VEER RIGHT AND GO EAST APPROX. 0.15 MILES. VEER LEFT AND GO NORTHEAST APPROX. 3.15 MILES. TURN RIGHT AND GO EAST-NORTHEAST APPROX. 1.5 MILES. TURN LEFT AND GO NORTHEAST APPROX. 1.25 MILES. TURN LEFT AT INTERSECTION AND GO APPROX. 0.2 MILES ON 2-TRACK ROAD TO STAKED ROAD. FOLLOW STAKE ROAD SOUTHWEST APPROX. 570 FEET SOUTHWEST TO THIS LOCATION.



JALAPENO CORPORATION

COWBOY 27 #1 WELL

LOCATED 2310 FEET FROM THE NORTH LINE
AND 330 FEET FROM THE EAST LINE OF SECTION 27,
TOWNSHIP 13 SOUTH, RANGE 10 EAST, N.M.P.M.,
OTERO COUNTY, NEW MEXICO

PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz

Survey Date: 8/27/13	CAD Date: 9/4/13	Drawn By: ACK
W.O. No.: 13110954	Rev: 10/14/13	Rel. W.O.:

Sheet 1 of 1

Jalapeño Corporation

COWBOY 27 #1

2310' FNL & 330' FEL

SECTION 27, T. 13-S, R. 10-E

OTERO COUNTY, NEW MEXICO

CLOSED-LOOP SYSTEM

DESIGN PLAN

- We will design the closed-loop system to contain all liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- We will stockpile the available topsoil for use as the final cover at the time of closure.
- A 12" x 24" sign will be provided in accordance with Sub. C of 19.15.17.11.
- A surrounding perimeter fence will be installed around the entire well site.
- Drilling cuttings will be circulated into and maintained in a haul-off bin.

OPERATING AND MAINTENANCE PLAN

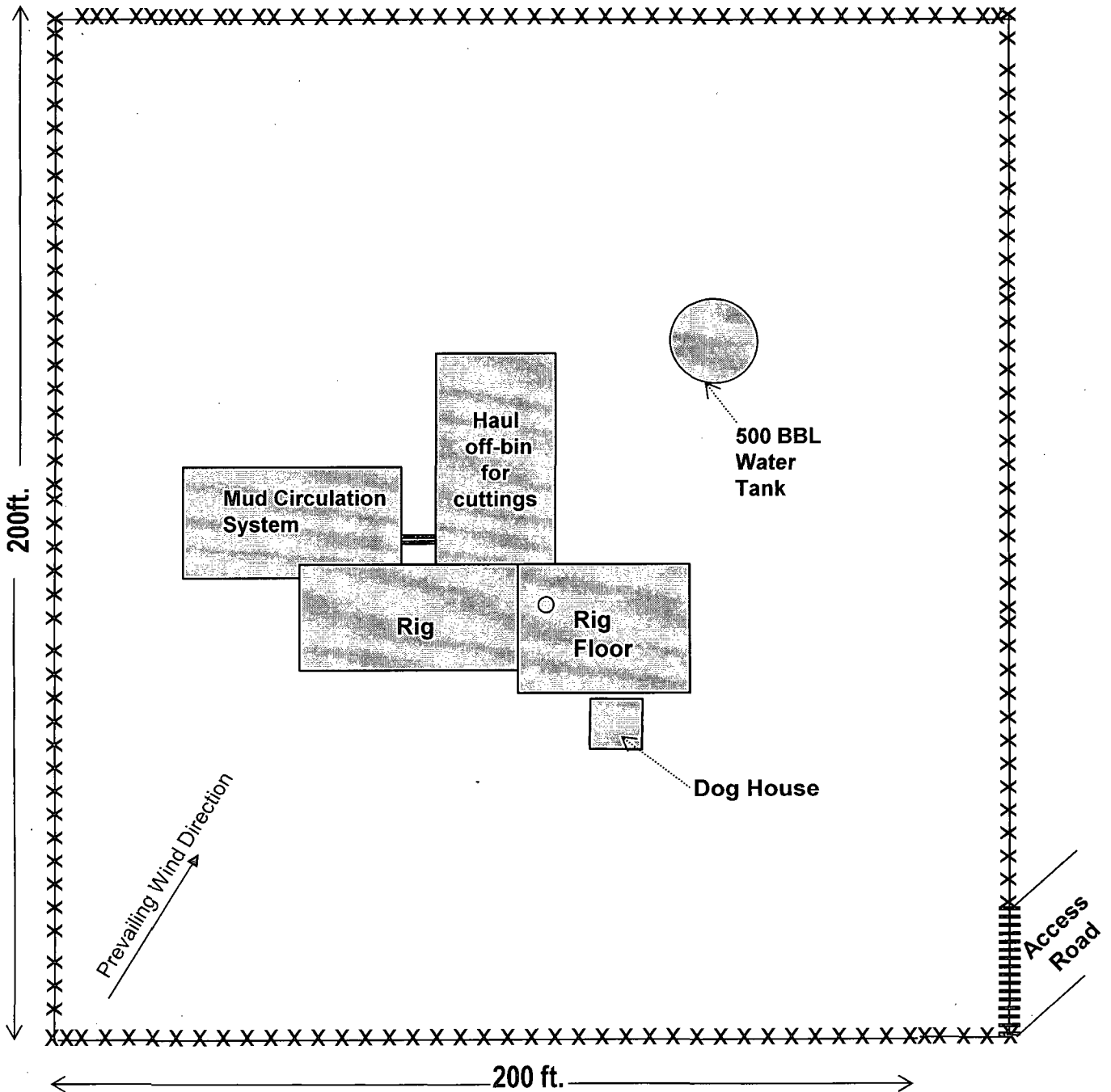
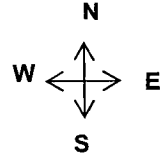
- We will operate and maintain the closed-loop system to contain all liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- The equipment will be continuously monitored during operations.
- Should any leaks develop in the closed-loop system, we will remove all liquids and notify the BLM's Field office with 48 hours and we will immediately repair or replace the equipment.
- Drilling cuttings will be circulated into a haul-off bin.
- All contaminated drilling fluids and cuttings in the steel tank will be transported to an approved disposal facilities (Gandy-Marley Landfarm, Permit #NM-0010019).

CLOSURE PLAN

- Once we are no longer using the closed-loop system, we will contour and re-vegetated the area per 19.15.17.13H(5).
- We will reclaim all areas associated with the closed-loop system to a safe and stable condition that blends with the surrounding undisturbed area in accordance with OCD rules and regulations.

JALAPENO CORPORATION

COWBOY#1



LEGEND	
xxx	Fence
	Cattle guard

SEC. 27; TWP. 13-S; RGE. 10E
 COUNTY OTERO STATE NEW MEXICO
 DESCRIPTION 2310FNL & 330 FEL