

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 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-103
 Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-005-64211
1. Type of Well: Oil Well ☐ Gas Well ☐ Other ☐		5. Indicate Type of Lease FEDERAL ☒ STATE ☐ FEE ☐
2. Name of Operator Jalapeno Corporation		6. State Oil & Gas Lease No. NM 12557
3. Address of Operator P.O. Box 1608, Albuquerque, NM 87103		7. Lease Name or Unit Agreement Name Duncan Federal
4. Well Location Unit Letter : 660 feet from the South line and 990 feet from the West line Section 7 Township 9S Range 28E NMPM County Chaves		8. Well Number 11
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 26307
		10. Pool name or Wildcat Wildcat, San Andres

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 OTHER: ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Attached are the test results from Cardinal Laboratories pertaining to Table II (Closure Criteria for Burial Trenches and Waste Left in Place in Temporary Pits). As the test results met or were less than the OCD parameters, we plan to start the on-site closure operations of the pit on Thursday, November 12, 2015.

NM OIL CONSERVATION
 ARTESIA DISTRICT

Spud Date:

5/1/2015

Rig Release Date:

NOV 13 2015

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

RECEIVED

SIGNATURE H. Emmons Yates, III TITLE Vice President DATE 11/09/2015

Type or print name H. Emmons Yates, III E-mail address: eyates@jalapenocorp.com PHONE: 505-242-2050

For State Use Only

APPROVED BY: Signed By H. Emmons Yates, III TITLE Vice President DATE 11/5/2016

Conditions of Approval (if any):



PHONE (575) 393-2326 • 101 E. MARLAND • HO885, NM 88240

November 04, 2015

EMMONS YATES

JALAPENO CORPORATION

PO BOX 1608

ALBUQUERQUE, NM 87103

RE: DUNCAN FED #11

NM OIL CONSERVATION
ARTESIA DISTRICT

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Enclosed are the results of analyses for samples received by the laboratory on 10/28/15 12:10.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/gp/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colifert; MMQ-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN FED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
5 PT COMPOSITE	H502814-01	Soil	28-Oct-15 09:00	28-Oct-15 12:10

NM OIL CONSERVATION
ARTESIA DISTRICT

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN FED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

5 PT COMPOSITE
H502814-01 (Soil)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
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Cardinal Laboratories**Inorganic Compounds**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Chloride	32.0		16.0	mg/kg	4	5103002	AP	30-Oct-15	4500-Cl-B	

Organic Compounds

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
TPH 418.1	<20.0		20.0	mg/kg	2	5110208	CK	04-Nov-15	418.1	

Volatile Organic Compounds by EPA Method 8021

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
Benzene*	<0.050		0.050	mg/kg	50	5110202	MS	02-Nov-15	8021B	
Toluene*	<0.050		0.050	mg/kg	50	5110202	MS	02-Nov-15	8021B	
Ethylbenzene*	<0.050		0.050	mg/kg	50	5110202	MS	02-Nov-15	8021B	
Total Xylenes*	<0.150		0.150	mg/kg	50	5110202	MS	02-Nov-15	8021B	
Total BTEX	<0.300		0.300	mg/kg	50	5110202	MS	02-Nov-15	8021B	
Surrogate: 4-Bromofluorobenzene (P111)			104 %	73.6-140		5110202	MS	02-Nov-15	8021B	

Petroleum Hydrocarbons by GC FID

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
GRO C6-C10	<10.0		10.0	mg/kg	1	5102902	MS	29-Oct-15	8015B	
DRO >C10-C28	<10.0		10.0	mg/kg	1	5102902	MS	29-Oct-15	8015B	
Surrogate: 1-Chlorooctane			99.8 %	47.2-157		5102902	MS	29-Oct-15	8015B	
Surrogate: 1-Chlorooctadecane			106 %	52.1-176		5102902	MS	29-Oct-15	8015B	

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Cecy D. Keene, Lab Director/Quality Manager



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Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN PED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

Inorganic Compounds - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD Limit	Notes
Batch 5103002 - General Prep - Wet Chem								
Blank (5103002-BLK1)								Prepared & Analyzed: 30-Oct-15
Chloride	ND	16.0	mg/kg					
LCS (5103002-BS1)								Prepared & Analyzed: 30-Oct-15
Chloride	464	16.0	mg/kg	400	116	80-120		
LCS Dup (5103002-BSD1)								Prepared & Analyzed: 30-Oct-15
Chloride	416	16.0	mg/kg	400	104	80-120	10.9	20

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN FED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

Organic Compounds - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 5110208 - Solvent Extraction										
Blank (5110208-BLK1)										
TPH 418.1	ND	20.0	mg/kg							Prepared & Analyzed: 04-Nov-15
LCS (5110208-BS1)										
TPH 418.1	4840	20.0	mg/kg	5000		96.7	70-130			Prepared & Analyzed: 04-Nov-15
LCS Dup (5110208-BSD1)										
TPH 418.1	5830	20.0	mg/kg	5000		117	70-130	18.6	20	Prepared & Analyzed: 04-Nov-15

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C. D. Keene

Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN FED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

Volatile Organic Compounds by EPA Method 8021 - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 5110202 - Volatiles										
Blank (5110202-BLK1)				Prepared & Analyzed: 02-Nov-15						
Benzene	ND	0.050	mg/kg							
Toluene	ND	0.050	mg/kg							
Ethylbenzene	ND	0.050	mg/kg							
Total Xylenes	ND	0.150	mg/kg							
Total BTEX	ND	0.300	mg/kg							
Surrogate: 4-Bromofluorobenzene (PFD)	0.0528		mg/kg	0.0500		106	73.6-140			
LCS (5110202-BS1)				Prepared & Analyzed: 02-Nov-15						
Benzene	1.96	0.050	mg/kg	2.00		98.0	82.6-122			
Toluene	2.16	0.050	mg/kg	2.00		108	72.9-122			
Ethylbenzene	1.96	0.050	mg/kg	2.00		98.1	65.4-131			
Total Xylenes	6.23	0.150	mg/kg	6.00		104	73.8-125			
Surrogate: 4-Bromofluorobenzene (PFD)	0.0507		mg/kg	0.0500		101	73.6-140			
LCS Dup (5110202-BS01)				Prepared & Analyzed: 02-Nov-15						
Benzene	1.97	0.050	mg/kg	2.00		98.3	82.6-122	0.345	8.23	
Toluene	2.17	0.050	mg/kg	2.00		108	72.9-122	0.207	8.71	
Ethylbenzene	1.99	0.050	mg/kg	2.00		99.3	65.4-131	1.19	9.46	
Total Xylenes	6.31	0.150	mg/kg	6.00		105	73.8-125	1.36	8.66	
Surrogate: 4-Bromofluorobenzene (PFD)	0.0513		mg/kg	0.0500		103	73.6-140			

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

JALAPENO CORPORATION
PO BOX 1608
ALBUQUERQUE NM, 87103

Project: DUNCAN FED #11
Project Number: NONE GIVEN
Project Manager: EMMONS YATES
Fax To: (505) 242-8501

Reported:
04-Nov-15 16:46

Petroleum Hydrocarbons by GC FID - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 5102902 - General Prep - Organics**Blank (5102902-BLK1)**

Prepared & Analyzed: 29-Oct-15

GRO C6-C10	ND	10.0	mg/kg							
DRO >C10-C28	ND	10.0	mg/kg							
EXT DRO >C28-C35	ND	10.0	mg/kg							
Total TPH C6-C28	ND	10.0	mg/kg							
Surrogate: 1-Chlorooctane	47.2		mg/kg	50.0		94.3	47.2-157			
Surrogate: 1-Chlorodecane	50.8		mg/kg	50.0		102	52.1-176			

LCS (5102902-BSD1)

Prepared & Analyzed: 29-Oct-15

GRO C6-C10	212	10.0	mg/kg	200		106	72.5-115			
DRO >C10-C28	219	10.0	mg/kg	200		110	81.3-118			
Total TPH C6-C28	431	10.0	mg/kg	400		108	80-113			
Surrogate: 1-Chlorooctane	49.7		mg/kg	50.0		99.4	47.2-157			
Surrogate: 1-Chlorodecane	53.6		mg/kg	50.0		107	52.1-176			

LCS Dup (5102902-BSD1)

Prepared & Analyzed: 29-Oct-15

GRO C6-C10	211	10.0	mg/kg	200		105	72.5-115	0.534	10.1	
DRO >C10-C28	220	10.0	mg/kg	200		110	81.3-118	0.285	15.3	
Total TPH C6-C28	431	10.0	mg/kg	400		108	80-113	0.116	12.1	
Surrogate: 1-Chlorooctane	49.3		mg/kg	50.0		98.6	47.2-157			
Surrogate: 1-Chlorodecane	54.5		mg/kg	50.0		109	52.1-176			

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ARTESIA DISTRICT
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Coley D. Keene
Coley D. Keene, Lab Director/Quality Manager



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Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500C-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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A handwritten signature in cursive script, appearing to read "Celey D. Keene".

Celey D. Keene, Lab Director/Quality Manager

