

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION
ARTESIA DISTRICT
NMOC
RECEIVED
MAR 11 2016FORM 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 12557
6. If Indian, Allottee or Tribe Name
N/A**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ 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)

2145' FNL & 694' FWL SEC. 18, T-9S, R-28-E

7. If Unit of CA/Agreement, Name and/or No.

N/A

8. Well Name and No.

DUNCAN FEDERAL #12

9. API Well No.

30-005-64277

10. Field and Pool or Exploratory Area

Wolfe 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 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
	<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 recompleat 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 recompleat 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.)

Accepted for record
LBD NMOC 3/14/16

JALAPENO CORPORATION HAS BEEN SUCCESSFUL IN FISHING OUT OUR TOOLS FROM THE LIZARD 20 STATE #1. WE ARE NOW DRILLING AHEAD AND AT OUR CURRENT PACE WE WILL BE ENTERING THE PAY ZONE THE 1ST WEEK IN MARCH. DEPENDING ON IF IT IS A DRY HOLE OR NOT, WE WILL EITHER BE MOVING BACK ONTO THE DUNCAN FED. #12 IN MID MARCH OR AT ITS END. HOWEVER, WE STILL HAVE EVERY INTENTION OF MOVING ONTO THE DUNCAN FED. #12 IMMEDIATELY AFTER WE ARE FINISHED AT OUR LIZARD STATE #1 LOCATION.

See attached on properly securing a well bore when left idle. Prior to resuming drilling activities on any well call 575-627-0205.

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

H. Emmons Yates, III

Title Vice President

Signature

Date 02/18/2016

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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.

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.

(Instructions on page 2)

Well bore should be secured in the following manner when it is left idle during drilling operations:

The operator shall install a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored to properly secure the wellbore.