

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Artesia, NM 88210

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

Form 3160-5
(April 2004)

Month - Year
APR 10 2007
OCD - ARTESIA, NM

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
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
JALAPENO CORPORATION

3a. Address
P.O. BOX 1608, ALB., 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 S.12, T.9-S, R. 27-E

5. Lease Serial No.
NM 100542

6. If Indian, Allottee or Tribe Name

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 SPUDDING
	<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 recomple 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.)

Spudded well on 3/23/07. Set conductor pipe. Because of abnormal rainfall unable to get water trucks to location which are required for further drilling. If roads dry somewhat, expect to continue surface hole and run 500 ft of surface casing and cement it on the 28th or the 29th. We will give you further notice once the timing is known.

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

HARVEY E. YATES, JR.

Title PRESIDENT

Signature

Date

3/26/07

ACCEPTED FOR THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ 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

Title 18 U.S.C. Section 104 and 1043, and 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 representations as to any matter within its jurisdiction.

(Instructions on page 2)

Accepted for record - NMOCD

4/10/07