

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOOD
Artesia

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-12557
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	7. If Unit of CA/Agreement, Name and/or No. N/A
2. Name of Operator JALAPENO CORPORATION	8. Well Name and No. DUNCAN FEDERAL #2
3a. Address P.O. BOX 1608 ALBUQUERQUE, NEW MEXICO 87103	9. API Well No. 30-005-62235
3b. Phone No. (include area code) 505-242-2050	10. Field and Pool or Exploratory Area Wolf Lake; San Andres
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEC. 7, T-9S, R28-E, 330' FSL & 990' FWL	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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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.)

5/8/14 Notified the BLM of intent to plug.

5/9/14 Tagged bottom at 2310' and set a 25 sack cement plug.

5/9/14 Wait for cement to dry and tagged top plug at 2110' then filled hole with mud

5/9/14 Perforated 50 feet below Surface Shoe and circulated cement from 469' to surface.

5/9/14 Wait for cement to dry.

5/14/14 Set dry hole marker.

NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 25 2014

RECEIVED

Accepted for record
NMOOD 9-2-14

Approved as to plugging of the
well bore. Liability under bond
is retained until surface resto-
ration is completed.

APPROVED FOR 6 MONTH PERIOD
ENDING NOV 14 2014

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) H. Emmons Yates III	Title VICE PRESIDENT
Signature <i>H. Emmons Yates III</i>	Date 05/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <u>/S/ DAVID R. GLASS</u>	Title PETROLEUM ENGINEER	Date JUN 12 2014
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 <u>Rowell Field Office</u>	

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.