

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

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Amended

| |
|---|
| WELL API NO. 30-005-64180 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VO-9290 |
| 7. Lease Name or Unit Agreement Name Kobe 22 State |
| 8. Well Number #1 |
| 9. OGRID Number 26307 |
| 10. Pool name or Wildcat Wolflake; San Andres, S. |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) |

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator Jalapeno Corporation

3. Address of Operator P.O. Box 1608
Albuquerque, NM 87103

4. Well Location
 Unit Letter E : 2195 feet from the North line and 330 feet from the West line
 Section 22 Township 9-S Range 27-E NMPM County Chaves

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

| | | | |
|--|---|--|--|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input checked="" type="checkbox"/> | | OTHER: Amended P & A <input checked="" type="checkbox"/> | |

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.

We have lost tools in the bottom of the borehole and after a month of fishing we have abandoned the attempt to fish the tools out. We then attempted to put a whipstock down the hole in order to drill around the tools. However, our whipstock became stuck at 1480' and we ended up drilling back into the original borehole. We now propose to P & A the Kobe 22 State #1 by filling the borehole from 1892' to 485' with spacing gel and cementing from 485' to 385' covering the bottom of the casing and then set another plug from 100 feet to surface. Also, we plan on putting the dry hole marker up after we drill the new borehole which will be 50 feet away to the West.

NM OIL CONSERVATION
 ARTESIA DISTRICT

Spud Date: Rig Release Date:

RECEIVED

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

SIGNATURE [Signature] TITLE Vice President DATE 9/02/2014

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

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 9-4-2014
 Conditions of Approval (if any):

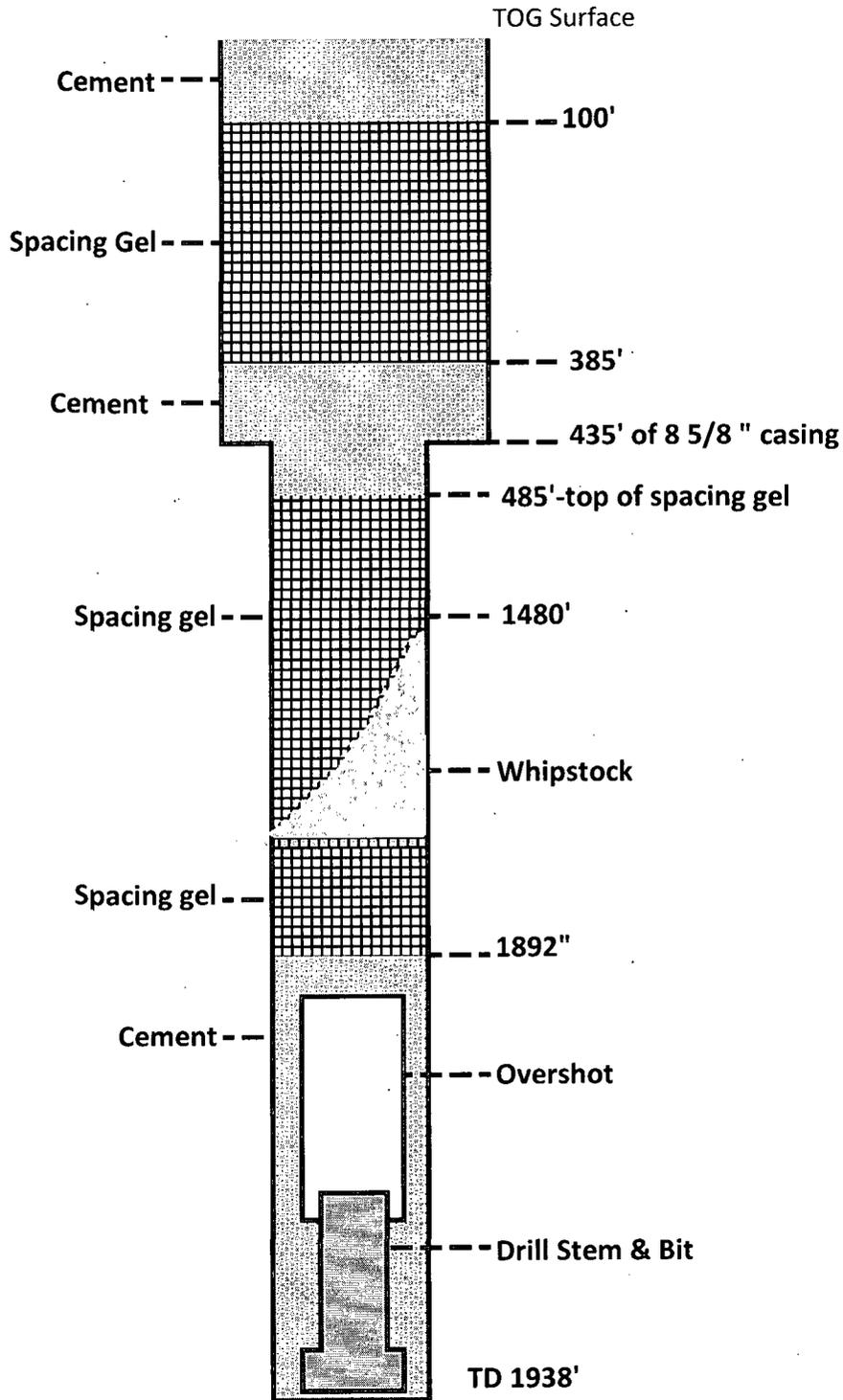
SCHEMATIC AFTER PLUG AND ABANDON

JALAPENO CORPORATION

KOBE 22 STATE #1

CHAVES COUNTY, NEW MEXICO

API NO. 30-005-64180



NOT TO SCALE

Jalapeño Corporation
P.O. Box 1608
Albuquerque, NM 87103-1608
Phone: (505) 242-2050 Fax: (505) 242-8501

September 3, 2014

Randy Dade, District Supervisor
Oil Conservation Division
District II
811 South First Street
Artesia, NM 88210

RE: Kobe 22 State #1

Dear Mr. Dade :

Enclosed please find the amended C-103 for the Plugging and Abandoning of the Kobe 22 State #1 well. Please note this is the same C-103 that I email you on 9/2/2014.

Thank you once again for all your help in dealing with this matter. If you have any questions or need further information, you can contact me or Emmons Yates at the numbers listed above or by e-mail at jbarrack@jalapenocorp.com or at eyates@jalapenocorp.com.

Sincerely,



Jun Barrack
Jalapeño Corporation
Oil and Gas Operations Associate