Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Office Revised July 18, 2013 Energy, Minerals and Natural Resources District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-005-64290 District II - (575) 748-1283 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease FEDERAL District III ~ (505) 334-6178 1220 South St. Francis Dr. STATE FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM VO 9723 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 **LIZARD 20 STATE** PROPOSALS.) 8. Well Number #1 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator 9. OGRID Number 26307 JALAPENO CORPORATION 3. Address of Operator PO BOX 1608 10. Pool name or Wildcat WILDCAT; SAN ANDRES, SOUTH **ALBUQUERQUE, NM 87103** 4. Well Location Unit Letter E : 1650 feet from the NORTH line and 660 feet from the WEST Section: 20 Township: 9-8 Range: 27-E **NMPM** County: CHAVES 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3861' GL 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ALTERING CASING □ PERFORM REMEDIAL WORK PLUG AND ABANDON □ REMEDIAL WORK CHANGE PLANS COMMENCE DRILLING OPNS. P AND A **TEMPORARILY ABANDON** PULL OR ALTER CASING MULTIPLE COMPL \Box CASING/CEMENT JOB П DOWNHOLE COMMINGLE **CLOSED-LOOP SYSTEM** \Box OTHER: OTHER: X Spudded well 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. 10/5/2015 - SPUDDED WELL @ 1:30 PM. DRILLED DOWN TO 55' GL. NM OIL CONSERVATION ARTESIA DISTRICT OCT 1 3 2015 10/5/2015 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** TITLE VICE PRESIDENT DATE 10/06/2015 Type or print name H. EMMONS VATES, III E-mail address: eyates@jalapenocorp.com PHONE: 505-242-2050 For State Use Only Coopied for second NAVOCD

TITLE

APPROVED BY:

Conditions of Approval (if any):

Jalapeño Corporation

P.O. Box 1608 Albuquerque, NM 87103-1608

Phone: (505) 242-2050 Fax: (505) 242-8501

October 6, 2015

SENT CERTIFIED MAIL
#7015 0640 0001 5384 0655

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

NM OIL CONSERVATION

ARTESIA DISTRICT

OCT 1 3 2015

RECEIVED

Dear Sir or Madam:

RE: Lizard 20 State #1

Enclosed please find the OCD Form C-103 in regards to the spudding of the Lizard 20 State #1 well.

If you have any questions or need further information, you can contact me at the numbers listed above or by e-mail at jbarrack@jalapenecorp.com.

Sincerely,

Juh Barrack

Oil and Gas Operation Associate

• Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string