

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 22 2016

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED
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 page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 100542
2. Name of Operator JALAPENO CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 1608, ALBUQUERQUE, NM 87103	3b. Phone No. (Include area code) 505-242-2050	7. If Unit of CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SEC. 12, T-9S, R-27E 330' FSL & 330' FEL		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, NM

12. CHECK THE 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
	<input checked="" 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.)

DEAR MR. GLASS, PER OUR PHONE CONVERSATION WE HAVE RECENTLY DISCOVERED THAT THE CEMENT ON THE BACKSIDE OF THE 5 1/2 INCH PRODUCTION CASING DOES NOT GO TO 1610' AS WE ORIGINALLY THOUGHT BUT INSTEAD IT IS ALREADY UP AT 500' FROM THE SURFACE. BECAUSE OF THIS WE REQUEST TO BE ABLE TO PERFERATE AT 450' IN ORDER TO ENSURE THAT WE CAN SQUEEZE CEMENT TO THE SURFACE ON THE THE BACKSIDE AS WELL AS INSIDE THE 5 1/2" CASING.

APPROVED FOR 3 MONTH PERIOD
ENDING OCT 14 2016

Approval Subject To Plug Inside Of 5-1/2
Inch Production Casing Being From 585
Feet To Surface & Cement Being Circulated
To Surface Inside Of 8-5/8 Inch X 5-1/2 Inch
Annulus.

Accepted for record
NMOC

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) JULIE A. PASCAL		Title Oil and Gas Operations Associate
Signature <i>Julie A Pascal</i>		Date 07/14/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS	Title PETROLEUM ENGINEER	Date JUL 14 2016
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 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.