Submit 3 Copies To Appropriate District Office

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised March 25, 1999

| WELL API NO. |
| 30-015-04555 |

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
E-2211

7. Lease Name or Unit Agreement Name:

Yates State

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 87103-1608

8. Well No.
   #1

9. Pool name or Wildcat Benson Queen Grayburg North

4. Well Location

Unit Letter___G___ : __1980__ feet from the __North__ line and __1980__ feet from the __East__ line

Section __32__   Township 18S   Range 30E   NMPM   County Eddy

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3422 GL

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐	REMEDIAL WORK ☐ ALTERING CASING ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐	CASING TEST AND CEMENT JOB ☐
OTHER: Change of Operator ☒	OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Effective June 30, 1996 Cibola Energy Corporation (OGRID# 004468) working interests were purchased by Jalapeno Corporation (OGRID# 026307).

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

SIGNATURE _____   TITLE _President_   DATE 5/15/01

Type or print name Harvey E. Yates, Jr., President   Telephone No. (505)242-2050

(This space for State use)

APPPROVED BY_____   TITLE_____   DATE_____

Conditions of approval, if any: