N.M. Oil Cons. DIV-Dist. 2

Form 3160-5 (April 2004)

1301 W. Grand Avenue UNITED STATES MENT OF THE INTERIOR NO 88210 FLAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

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SUNDRY	NE SES	AND	REPORTS	ON	WEL	LS

	NETCES AND REF	PORTS ON WEL		5. Lease Serial NM 1005	542			
	is form for proposals to ell. Use Form 3160-3 (A			28. If Indian,	Allottee or Tribe Name			
	PLICATE- Other instr	uctions on rever	se side.	7. If Unit or	CA/Agreement, Name and/or No.			
1. Type of Well ✓ Oil Well	Gas Well Other			8. Well Nam	ne and No.			
2. Name of Operator JALAPENO CORPORATION					PAISANO FEDERAL #1 9. API Well No.			
3a Address P.O. BOX 1608	3, ALB., NM 87103	3b. Phone No. (include 505-242-2050	area code)	30-005-0	63840 Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)			Wolf La	ke, San Andres, South			
330' FSL & 330' FEL S.12,	T.9-S, R. 27-E				or Parish, State			
12. CHECK AI	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, RE	EPORT, OR	OTHER DATA			
TYPE OF SUBMISSION		TYF	PE OF ACTION					
Notice of Intent ✓ Subsequent Report ☐ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Star Reclamation Recomplete Temporarily Aba Water Disposal	,	Water Shut-Off Well Integrity Other PERFORATING & CEMENTING			
	ed Operation (clearly state all pertirectionally or recomplete horizontally				rk and approximate duration thereof.			

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

5/11/07 RAN CEMENT BOND LOG (HALLIBURTON). ENCOUNTERED CEMENT WITHIN THE 5 1/2" CASING AT 2170'. DETECTED TOP OF CEMENT OUTSIDE OF HOLE AT 1610. (THERE APPEARS TO BE THIEF ZONE FROM 1732 TO 1750 WHICH PROBABLY TOOK EARLIER CEMENT.) PERFORATED WITH 3 HOLES AT 1585. BROKE CIRCULATION WITH KILL TRUCK TO JUDGE VOLUME NEEDED FOR REMEDIAL CEMENT JOB.

5/12/07 CEMENTED (HALLIBURTON) WITH 260 SACKS CLASS C CEMENT WITH 2% KCL THROUGH PERFORATIONS AT 1585. THIS VOLUME CALCULATED TO BRING CEMENT WITHIN SURFACE CASING. SEE ATTACHED HALLIBURTON REPORT.

5/13-14/07 WOC 48 HOURS

14. I hereby certify that the foregoing is true and correct Name (Printyd/Typed)	[
HARVEY E. YATES, SR.	Title PRESIDENT	
Signature dum Jeley	Date 5/14/07	05/14/2007
ACCEPTED FOR THIS GORCE FOR	FEDERAL OR STATE OFFICE	USE
Approve Approv	Title	Date
Conditions of approver A Thy, are Stac 2000 Approval of this notice certify that the applicant holds legal or equitable title to those rights which would enjitle the applicant to conduct operations thereon.	does not warrant or in the subject lease Office	
Title 18 U.S.C. Section HALAMP Title & U.S.S. Section 1212, make it a States any false, figitions of fraudulent states are representations	a crime for any person knowingly and willfully as to any matter within its jurisdiction.	to make to any department or agency of the United

(Instructions on page 2)

HALLIBURTON

Cementing Job Summary

The Road to Excellence Starts with Safety Sold To #: 303075 Ship To #: 2563205 Quote #: Sales Order #: 5100858 **Customer: JALAPENO CORPORATION** Customer Rep: Yates, Harvey API/UWI #: Well Name: Paisano Federal Well #: 1 Field: WOLF LAKE City (SAP): ROSWELL County/Parish: Chaves State: New Mexico SOUTH Contractor: Workover rig Rig/Platform Name/Num: ????? Job Purpose: Squeeze Perfs Well Type: Development Well Job Type: Squeeze Perfs Sales Person: RIPLEY, STEVE Srvc Supervisor: KUHN, MICHAEL MBU ID Emp #: 240783 Job Personnel **HES Emp Name HES Emp Name** Exp Hrs **HES Emp Name** Exp Hrs Emp# Emp# Exp Hrs Emp# ALVAREZ. 401465 HERNANDEZ, JEFF 5.0 392786 JONES, CRAIG 5.0 403976 5.0 **SALVADOR** KUHN, MICHAEL L 5.0 240783 SYNNOTT, YVETTE 5.0 386548 Janine Equipment HES Unit # Distance-1 way **HES Unit #** Distance-1 way **HES Unit #** Distance-1 way **HES Unit #** Distance-1 way 10582896 70 mile 10633273 70 mile 10912751 70 mile 7093 70 mile Job Hours Date On Location Operating Date On Location Operating Date On Location Operating Hours Hours Hours Hours Hours Hours 05-12-07 5 1 TOTAL Total is the sum of each column separately Job Job Times Line in Allend Formation Name Date Time Time Zone Formation Depth (MD) Top 12 - May - 2007 02:00 MST Bottom Called Out Form Type BHST On Location 12 - May - 2007 06:30 MST Job depth MD 1560. ft Job Depth TVD 1560. ft Job Started 12 - May - 2007 09:04 MST Water Depth Wk Ht Above Floor Job Completed 12 - May - 2007 10:19 MST . ft 12 - May - 2007 11:30 MST Perforation Depth (MD) From Departed Loc To Well Data Description New / Max Size ID Weight Thread Grade Top MD **Bottom** Top **Bottom** Used pressure in in lbm/ft ft MD TVD TVD psig ft ft ft Tubing 1.995 4.6 J-55 1560. Used 2.375 500. **Surface Casing** Used 8.625 7.921 32. J-55 15.5 2300. Production Used 4.95 J-55 5.5 Casing Tools and Accessories The state of the s te tribe Type Make Depth Size Make Size Make Size Qty **Type** Qty Depth **Type** Qty Guide Shoe Top Plug Packer Float Shoe Bridge Plug **Bottom Plug** 5.5 HES Float Collar Retainer SSR plug set Plug Container Insert Float Centralizers Stage Tool Miscellaneous Materials Surfactant Conc Acid Type Qty Conc Gelling Agt Conc Inhibitor Conc Size Treatment Fld Conc Sand Type Qty

Summit Version: 7.20.130

Saturday, May 12, 2007 10:57:00

HALLIBURTON

Cementing Job Summary

Fluid #	Stage 7	ype		Fluid N	lame		Qty	Qty uom	Mixing Density	Yield ft3/sk	1	Fluid il/sk	Rate bbl/min		al Mix Gal/si
1	Premium			- PREMIUM PLU 12205)	JS CEMENT		260.0	sacks	Ibm/gal 14.8	1.35	6.	.39		6.	.39
	2 %		CALC	CIUM CHLORIDE	- HI TEST F	PELLET ((1000050	53)	<u> </u>	· ····································	- 1				
	6.387 Ga	i	FRES	SH WATER											
. Ca	lculated	Values		Pressu	res	<u> </u>				/olumes	3 1				4.76
	ilculated cement	Values 6	排泄		res	Lost Ret	turns	NO	Cement S		3	63	Pad	TIME	1.10
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isplac op Of rac G	cement Cement radient		S 5	Pressu Shut In: Instant i Min 5 Min		Cement Spacers	Returns	NO	Cement S Actual D	Slurry isplacen	nent		Treatm		108
op Of rac G	cement Cement		5 5	Pressu Shut In: Instant i Min 5 Min		Cement Spacers Ra	Returns	NO 5	Cement S Actual D Load and	Slurry isplacen	nent own		Treatm Total		108
op Of rac G Circul	cement Cement tradient	2	5 5	Pressu Shut In: Instant i Min 5 Min Mixing	3	Cement Spacers Ra	Returns ates	NO 5	Cement S Actual D Load and	Slurry isplacen I Breakdo	nent own	5	Treatm Total		108

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Saturday, May 12, 2007 10:57:00

