

Submit To Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
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-105  
Revised March 25, 1999

WELL API NO.  
30-005-63380

5. Indicate Type of Lease  
STATE ☒ FEE ☐

State Oil & Gas Lease No. VA 2401

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:  
OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:  
NEW ☒ WORK ☐ PLUG ☐ DIFF. ☐  
WELL OVER ☐ DEEPEN ☐ BACK RESVR. ☐ OTHER ☐

2. Name of Operator  
Jalapeno Corporation

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

4. Well Location  
Unit Letter F 2310 Feet From The North Line and 2310 Feet From The West Line  
Section 7 Township 9 S Range 28 E NMPM Chaves County

10. Date Spudded 6/7/01 11. Date T.D. Reached 6/12/01 12. Date Compl. (Ready to Prod.) 10/8/01 13. Elevations (DF& RKB, RT, GR, etc.) 3886 GR 14. Elev. Casinghead 3884

15. Total Depth 2417 16. Plug Back T.D. 2343 17. If Multiple Compl. How Many Zones? N/A 18. Intervals Drilled By United 19. Producing Interval(s), of this completion - Top, Bottom, Name 2296-2320' San Andres 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run Array Induction Imager/Gamma Ray Three Detector Lithodensity/Epithermal Neutron/GR 22. Was Well Cored No

| 23. CASING RECORD (Report all strings set in well) |                |           |           |                  |               |
|----------------------------------------------------|----------------|-----------|-----------|------------------|---------------|
| CASING SIZE                                        | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
| 8 5/8                                              | 23 lb          | 420'      | 12 1/4    | 260              | 59 sks to pit |
| 5 1/2                                              | 15.5 lb        | 2408      | 7 7/8     | 190              | 0             |
|                                                    |                |           |           |                  |               |
|                                                    |                |           |           |                  |               |
|                                                    |                |           |           |                  |               |

| 24. LINER RECORD |     |        |              | 25. TUBING RECORD |             |            |
|------------------|-----|--------|--------------|-------------------|-------------|------------|
| SIZE             | TOP | BOTTOM | SACKS CEMENT | SIZE              | DEPTH SET   | PACKER SET |
|                  |     |        |              | 2 3/8             | Pump@ 2342' | N/A        |

| 26. Perforation record (interval, size, and number) |               |         | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. |                               |
|-----------------------------------------------------|---------------|---------|-------------------------------------------------|-------------------------------|
| 2296-98,                                            | 2306-14,      | 2318-20 | DEPTH INTERVAL                                  | AMOUNT AND KIND MATERIAL USED |
| 13 shots                                            | .42" HEGS gun |         | 2296'-2320'                                     | 4500 gal HCl 15%              |

| 28. PRODUCTION        |                 |                                                                     |                        |           |                                |                             |                 |
|-----------------------|-----------------|---------------------------------------------------------------------|------------------------|-----------|--------------------------------|-----------------------------|-----------------|
| Date First Production |                 | Production Method (Flowing, gas lift, pumping - Size and type pump) |                        |           | Well Status (Prod. or Shut-in) |                             |                 |
| 10/10/01              |                 | Pump 12' Rod                                                        |                        |           | Prod                           |                             |                 |
| Date of Test          | Hours Tested    | Choke Size                                                          | Prod'n For Test Period | Oil - Bbl | Gas - MCF                      | Water - Bbl.                | Gas - Oil Ratio |
| 10/16/01              | 24              | 2"                                                                  | 114                    | 0         | 0                              | 114                         | No gas          |
| Flow Tubing Press.    | Casing Pressure | Calculated 24-Hour Rate                                             | Oil - Bbl.             | Gas - MCF | Water - Bbl.                   | Oil Gravity - API - (Corr.) |                 |
| N/A                   | 0               | 114                                                                 | 0                      | 0         | 114                            | P (likely 22)               |                 |

29. Disposition of Gas (Sold, used for fuel, vented, etc.) No gas Test Witnessed By Sonny Pool

30. List Attachments  
1) Array Induc. Imager/Gamma Ray 2) 3-Detec. Lithodens/Epith. Neut/GR

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief  
Jalapeno Corporation  
Signature: [Signature] Printed Name: Harvey E. Yates, Jr. Title: President Date: 11/15/01