

DISTRICT I  
1625 N. Frueh Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Avenue, Atesia, NM 88210

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO  
Energy, Minerals and Natural Resources Department

Form C-101  
May 27, 2004

HOBBS OCD

APR 19 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to Appropriate District Office

AMENDED REPORT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address PALADIN ENERGY CORP. 10290 Monroe Drive, Suite 301 Dallas, Texas 75229		2 OGRID Number 164070
4 Property Code 35080		3 API Number 30-025-37299
5 Property Name South Vacuum Unit		6 Well No. 275
9 Proposed Pool 1 Vacuum Bone Spring, South 61900		10 Proposed Pool 2

7 Surface Location

UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
H	27	18-S	35-E		1700	North	760	East	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
G	27	18-S	35-E		1371	North	1916	East	Lea

Additional Well Information

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3887'
16 Multiple	17 Proposed depth 11,650'	18 Formation Woodford Shale	19 Contractor	20 Spud Date

Depth to Groundwater: approx 68'		Distance from nearest fresh water well 1/2 mile plus		Distance from nearest surface water: Playa - 1100 feet	
Pit: Liner: Synthetic <input type="checkbox"/> Closed-Loop System <input checked="" type="checkbox"/>	Clay <input type="checkbox"/>	Pit Volume:	Drilling Method: Fresh Water <input type="checkbox"/> Disel/Oil-Based <input type="checkbox"/>	Gas/Air <input type="checkbox"/>	

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks Cement	Estimated TOC
17-1/2	13-3/8	48#	418'	535	Sur
12-1/4	9-5/8	40#	3,887'	1040	Sur
8-3/4"	7	26# & 29#	12,734'	635	7,110'
6-1/4"	5	18#	14,187'	250	12,367'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

R/U pulling unit, GIH with e-line, set CIBP at 11,650', isolate Devonian perms. GBIH with e-line, dump bail 35' of cement on bridge plug. Perforate Bone Springs Formation from 9,100'-9,180' & 8,883'-9,000'. Acidize all perforations with 6,000 gal. 15%HCL. Swab back. R/D work string, P/U 2-7/8" tubing and TAC and set at 9,300' (+,-). Run rods and rod pumping equipment. Test and bring well on line.

Permit Expires 2 Years From Approval  
Date Unless Drilling Underway

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drill pit will be constructed according NMOCD guideline <u>X</u> , a general permit <u>    </u> , Or an (attached) alternative OCD-approved plan <u>    </u> .		OIL CONSERVATION DIVISION	
Printed name: David Plaisance		Approved by:	
Title: V.P. Exploration & Production		Title: Petroleum Engineer	
E-mail Address: dplaisance@paladinenergy.com		Approval Date: APR 24 2013 Expiration Date:	
Date: 4/17/2013 Phone: 214-654-0132		Conditions of Approval: Attached <input type="checkbox"/>	

APR 24 2013

**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

**HOBBS OCD**

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

APR 23 2013

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

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**RECEIVED**

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-27299		<sup>2</sup> Pool Code 61900		<sup>3</sup> Pool Name Vacuum Bone Spring, South	
<sup>4</sup> Property Code 22557 35080		<sup>5</sup> Property Name South Vacuum Unit			<sup>6</sup> Well Number 275
<sup>7</sup> OGRID No. 164070		<sup>8</sup> Operator Name Paladin Energy Corp.			<sup>9</sup> Elevation 3907'

**<sup>10</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	27	18-S	35-E		1700	North	760	East	Lea

**<sup>11</sup> Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	27	18-S	35-E		1417	North	1840	East	Lea
<sup>12</sup> Dedicated Acres 80		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<u>Sec 27, T18S, 35E</u>  <div style="text-align: center;"> </div>	<b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature	
	David Plasiance Printed Name <u>VP Exploration &amp; Production</u> Title 4/22/2013 Date	
	<b><sup>18</sup> SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
	Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number	