

OIL CONSERVATION DIVISION

TELEPHONE LOG

COMPANY NAME: Palladin

PROPERTY NAME: Stat 177

RESPONSIBLE OFFICIAL: Daniel Brown

APPLICATION NUMBER: _____

NAME OF ENGINEER: Chase

DATE CALLED: 9/8/11

TIME CALLED: _____

NOTES:



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 10, 2001

Paladin Energy Corporation
10290 Monroe Drive
Suite 301
Dallas, Texas 75229-5718

Mr. David J. Plaisance

Re: Form C-108
State "BTP" No. 1
Section 34, T-11 South, R-33 East, NMPM,
Lea County, New Mexico

Dear Mr. Plaisance:

This letter acknowledges the receipt of your administrative application dated August 29 2001, to convert the State "BTP" No. 1 to a salt water disposal well. The Division received your application on September 5, 2001. Our preliminary review indicates that the information provided in the application is not sufficient to process the administrative order. The following information is necessary:

- a) **List all the formations in which injection is to occur (i.e. Wolfcamp, Cisco, Canyon, Strawn, etc.);**
- b) **Publication Notice will have to be re-published. Injection interval is not described correctly in the advertisement. In addition, the Division's address is not described correctly. Our current address is:**

**Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504**

Since the submitted information is insufficient to review, the application was **Ruled Incomplete** on September 10, 2001. Please submit the above stated information by September 17, 2001.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the division will continue to process your application. The additional information can be faxed, or mailed to the Division. If the necessary information is not submitted, your application will be returned to you.

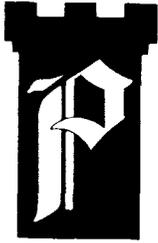
Paladin Energy Corporation
Administrative Application Letter
September 10, 2001
Page 2

If you have any questions, please contact me in Santa Fe, at (505) 476-3466.

Sincerely,

A handwritten signature in cursive script, appearing to read "David Catanach".

David Catanach
Petroleum Engineer



PALADIN ENERGY CORP.

SEP 20 2001

September 17, 2001

David Catanach
State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87504

Re: Application For Authorization To Inject
Paladin Energy Corp.
State BTP #1
Bagley, North Field, Lea County
1980' FNL, 660' FWL
Sec 34, T1S, R33E

Dear Mr. Catanach,

In response to your letter dated 9/10/01, requesting further information on the above referenced Application, please find the following:

a.) List of all formations in which injection is to occur –

9,551 - 78' Cisco V Zone
9,674 - 82' Canyon Zone
9,822 - 36' Upper Strawn "A" Zone
9,852 - 76' Upper Strawn "B" Zone
9,920 - 10,024' Lower Strawn zone

b.) Re-published Publication Notice –

Please find enclosed the corrected and re-published
'Publication Notice.'

If you have any questions or need further information please contact me at (214) 654-0132 ext. 3.

Thank You,

David Plaisance
V.P. Exploration & Production

*New Mexico Oil Conservation Division---Engineering Bureau
Administrative Application Process Documentation*

Part I

Date Application Received:

9-5-01

Date of Preliminary Review:

9-12-01

(Note: Must be within 10-days of received date)

Results: _____ Application Complete Application Incomplete

Date Incomplete Letter Sent:

9-10-01

Deadline to Submit Requested Information:

9-17-01

Date Additional Information Submitted:

9-17-01

RBDMS Updated:

Yes _____ No

Part II

Phone Call Date:

9/19/01

(Note: Only applies if requested data is not submitted within the 7-day deadline)

Phone Log Completed?

Yes _____ No

Date Application Processed:

Date Application Returned:

(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)