

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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 and Natural Resources
APR 03 2013
RECEIVED
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 June 19, 2008

WELL API NO. 30-025-30855
 05082

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 J. L. Reed

8. Well Number 2

9. OGRID Number

10. Pool name or Wildcat
 King Devonian

Pit or Below-grade Tank Application or Closure

Pit type Steel Tank Depth to Groundwater 60 Distance from nearest fresh water well 1 mile Distance from nearest surface water 1 mile +

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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 Paladin Energy Corp.

3. Address of Operator 10290 Monroe Dr., Suite 301
 Dallas, Texas 75229

4. Well Location
 Unit Letter A : 660 feet from the North line and 660 feet from the East line
 Section 35 Township 13S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3843' GR

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER: _____</p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <u>T&A</u> <input type="checkbox"/></p>
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13. 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 recompletion.

3/15/13

Rig up pump truck, establish pump pressure. Pressure up to 500 psi and hold chart for 30 minutes. Chart held OK. Nipple down pump truck. Request 5 years extension on T&A Status.

4 yrs -

This Approval of Temporary Abandonment Expires 3-15-2017

Spud Date: 3/14/2013

Rig Release Date: 3/15/2013

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

SIGNATURE [Signature] TITLE _____ DATE 3/26/2013

Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132 ext 3

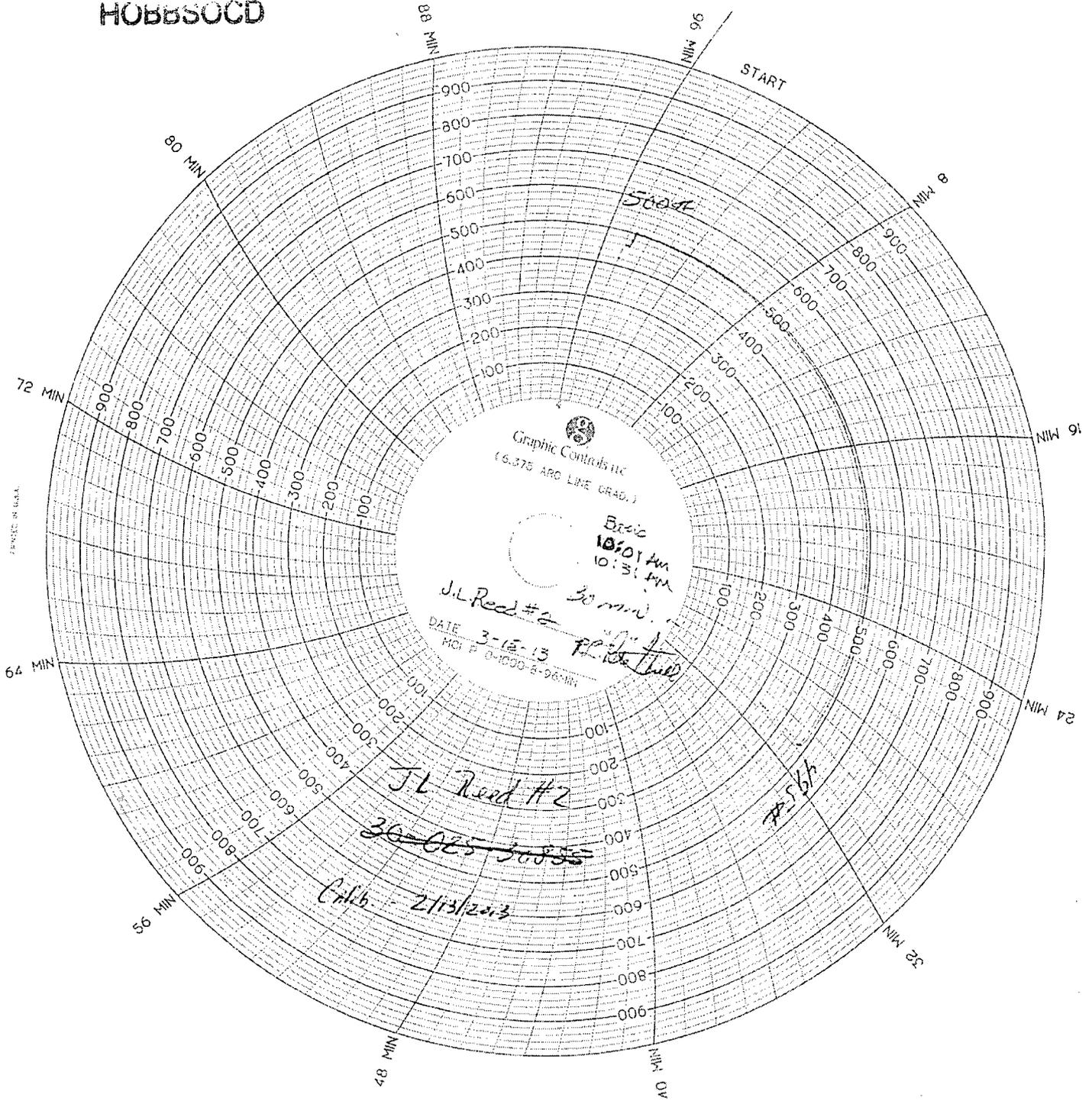
APPROVED BY [Signature] TITLE Dist. MGR DATE 4-4-2013

Conditions of Approval (if any): _____

APR 04 2013

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HOBBSOCD



30-025-05092
Reed #2