DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
5/16/08		W Jones	4/16/08	SWD 1126	PKVR0810759192

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

RECEIVED
2008 APR 16 PM 1 40

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Eddie W Seay	Eddie W Seay	Agent	4/9/2008
Print or Type Name	Signature	Title	Date

Seay04@leaco.net
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance __X__Disposal _____Storage
Application qualifies for administrative approval? __X__Yes _____No

II. OPERATOR: Paladin Energy Corp.

ADDRESS: 10290 Monroe Dr., Ste. 301 Dallas, TX 75229

CONTACT PARTY: David Plaisance PHONE: 214-654-0132

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes __X__No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Eddie W. Seay TITLE: Agent

SIGNATURE: Eddie W Seay DATE: 4/11/2008

E-MAIL ADDRESS: seay04@leaco.net

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: when drilled.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

ATTACHMENT TO APPLICATION C-108

NM BH State NCT 1 #4
Unit D, Sect. 11, Tws. 12 S., Rng. 32 E.
Lea Co., NM

III. WELL DATA

A. 1) See injection well data sheets and attached schematics.
2) See injection well data sheets and attached schematics.
3) 2 7/8" plastic coated tubing.
4) Baker tension packer.

B. 1) Injection formations are the Mississippian and the Devonian.
2) Injection interval 10517' to 11435'.
3) Well was drilled as a producer.
4) The next higher producing zone is the Penn at approximately 9800'.
The next lower producing zone is the Silurian at approximately 11500'.

IV. NO.

V. MAP ATTACHED.

VI. LIST OF WELLS AND DATA ATTACHED.

VII. Paladin proposes to re-complete this well by squeezing off Penn perfs as OCD requires. Deepen well to 11435', adding 200 ft. of open hole. Run 2 7/8" plastic coated tubing and packer. Inject into the Mississippian and Devonian.

1) Plan to inject approximately 3000 bpd of produced water from Paladins own operation in offset production.
2) Closed system.
3) Average injection pressure should be approximately 800# to 1200# or whatever limit OCD allows.
4) Analysis attached, only produced water.
5) Water from offset production from McKee, Devonian and Silurian.

VIII. The proposed disposal formations are interbedded shale and limestone. The primary geologic names are the Mississippian and Devonian from 10517' to 11435'.

The fresh water formation in the area is the Ogallala which ranges in thickness from 100' to 160'. Analysis of water wells attached.

IX. ACID AS NEEDED.

X. PREVIOUSLY SUBMITTED TO OCD.

XI. ATTACHED.

XII. I, Eddie W. Seay, have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zones and any underground source of drinking water pertaining to this well.

XIII. ATTACHED.

Side 1

INJECTION WELL DATA SHEET

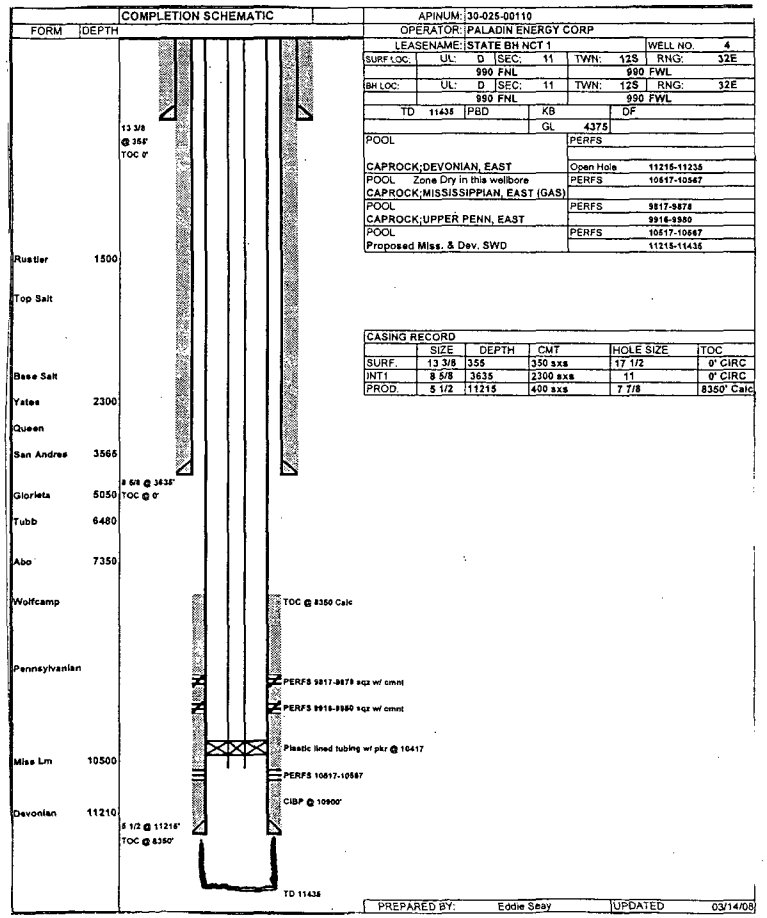
OPERATOR: Paladin Energy Corp.

WELL NAME & NUMBER: State BH NCT 1 #4

WELL LOCATION: 990 N 990 W | D | 11 | 12 | 32 E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2 Casing Size: 13 3/8

Cemented with: 350 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: circulated

Intermediate Casing

Hole Size: 11 Casing Size: 8 5/8

Cemented with: 2300 sx. *or* _____ ft³

Top of Cement: Surface Method Determined: circulated

Production Casing

Hole Size: 7 7/8 Casing Size: 5 1/2

Cemented with: 400sx sx. *or* _____ ft³

Top of Cement: 8350 Method Determined: TS

Total Depth: 11435

Injection Interval

10517 feet to 11435

(Perforated or Open Hole; indicate which)

+

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8 Lining Material: IPC

Type of Packer: Baker Tension

Packer Setting Depth: 10417

Other Type of Tubing/Casing Seal (if applicable): NONE

Additional Data

1. Is this a new well drilled for injection? ____Yes X No

   If no, for what purpose was the well originally drilled?

   oil + gas

2. Name of the Injection Formation: Mississippian and the Devonian

3. Name of Field or Pool (if applicable): Caprock

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

   Pennsylvanian 9817 - 9980

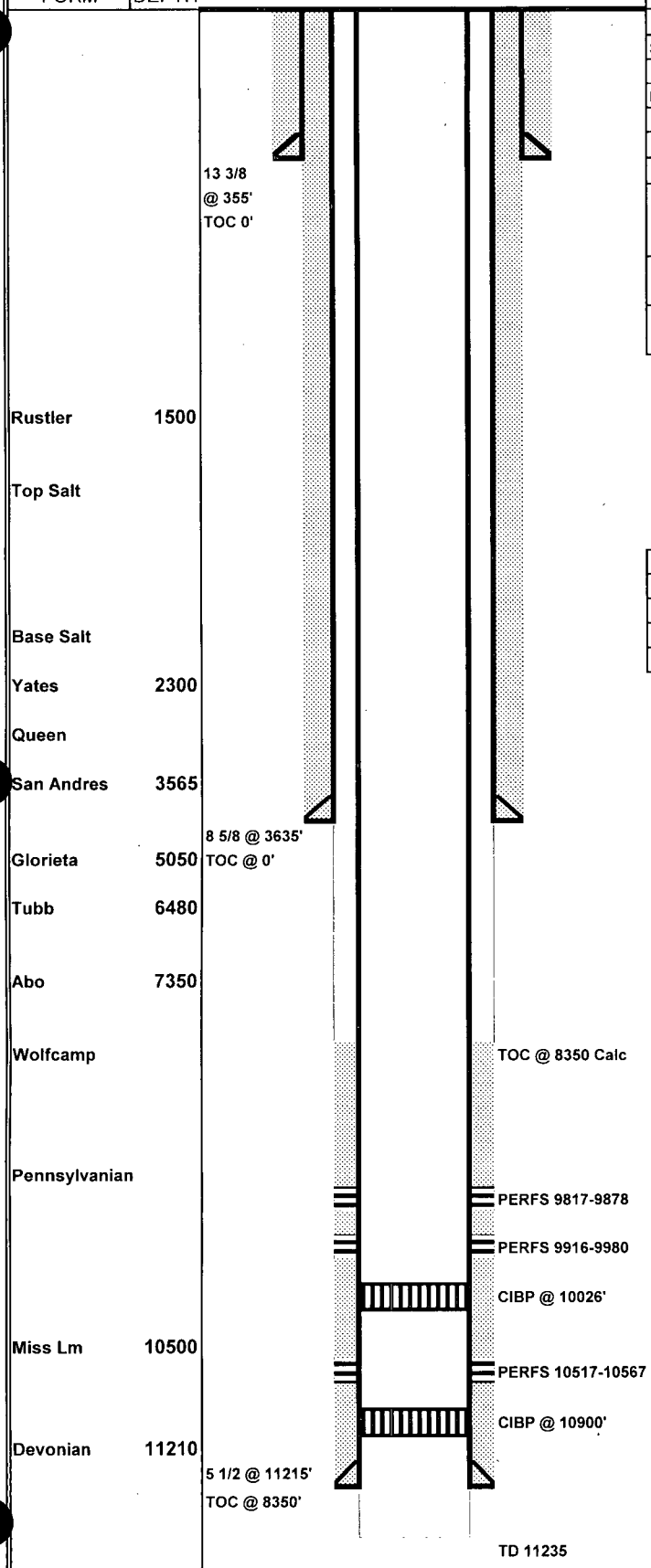
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   Penn is above at 9817

   Sulavian is below at 11500

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



APINUM:	30-025-00110				
OPERATOR:	PALADIN ENERGY CORP				
LEASENAME:	STATE BH NCT 1			WELL NO.	4
SURF LOC:	UL: D	SEC: 11	TWN: 12S	RNG:	32E
	990 FNL		990 FWL		
BH LOC:	UL: D	SEC: 11	TWN: 12S	RNG:	32E
	990 FNL		990 FWL		
TD 11235	PBD 10026	KB	DF		
		GL 4375			

POOL	PERFS
CAPROCK;DEVONIAN, EAST	Open Hole 11215-11235
POOL Zone Dry in this wellbore	PERFS 10517-10567
CAPROCK;MISSISSIPPIAN, EAST (GAS)	
POOL	PERFS 9817-9878
CAPROCK;UPPER PENN, EAST	9916-9980

CASING RECORD

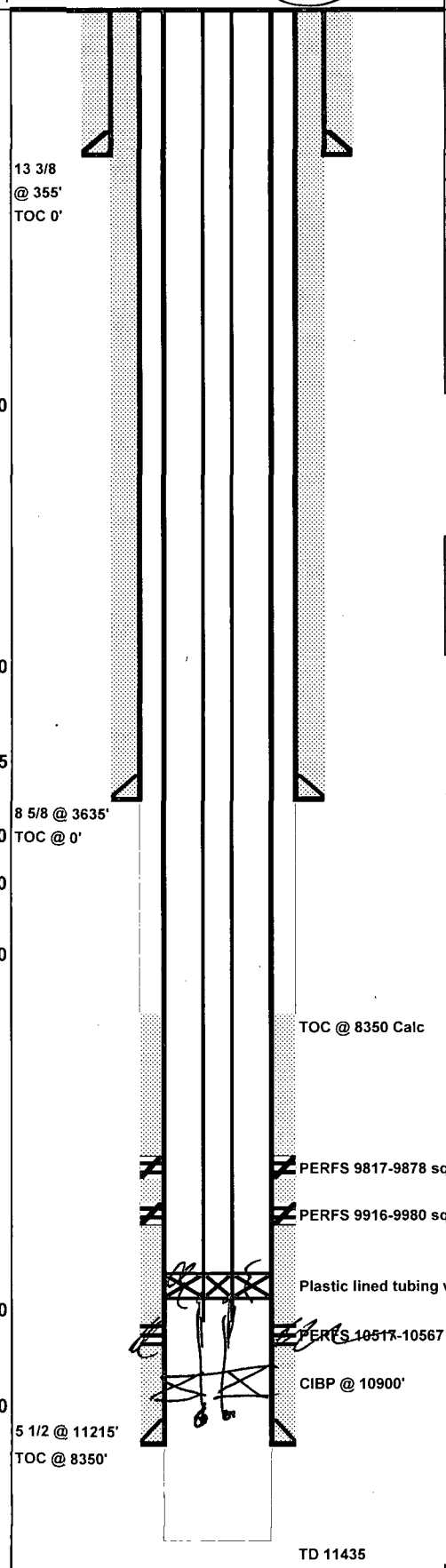
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	355	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3635	2300 sxs	11	0' CIRC
PROD.	5 1/2	11215	400 sxs	7 7/8	8350' Calc

(EXISTING)

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AFTER COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1500
Top Salt	
Base Salt	
Yates	2300
Queen	
San Andres	3565
Glorieta	5050
Tubb	6480
Abo	7350
Wolfcamp	
Pennsylvanian	
Miss Lm	10500
Devonian	11210



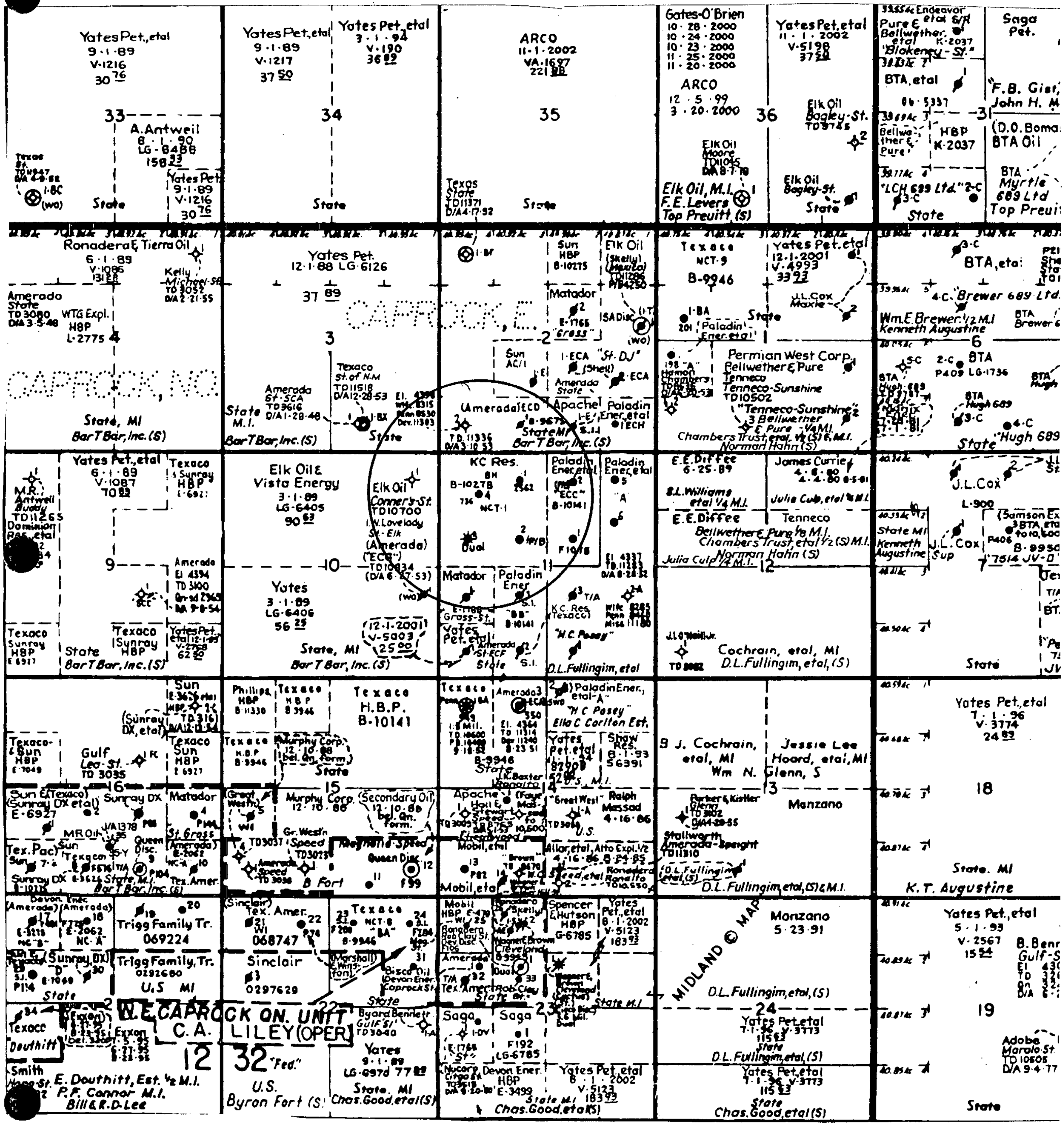
APINUM:	30-025-00110				
OPERATOR:	PALADIN ENERGY CORP				
LEASENAME:	STATE BH NCT 1			WELL NO.	4
SURF LOC:	UL: D	SEC: 11	TWN: 12S	RNG:	32E
	990 FNL		990 FWL		
BH LOC:	UL: D	SEC: 11	TWN: 12S	RNG:	32E
	990 FNL		990 FWL		
TD 11435	PBD	KB		DF	
		GL 4375			

POOL	PERFS	
CAPROCK;DEVONIAN, EAST	Open Hole	11215-11235
POOL Zone Dry in this wellbore	PERFS	10517-10567
CAPROCK;MISSISSIPPIAN, EAST (GAS)		
POOL	PERFS	9817-9878
CAPROCK;UPPER PENN, EAST		9916-9980
POOL	PERFS	10517-10567
Proposed Miss. & Dev. SWD		11215-11435

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	355	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3635	2300 sxs	11	0' CIRC
PROD.	5 1/2	11215	400 sxs	7 7/8	8350' Calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08



Yates Pet, etal 9-1-89 V-1216 30 76
Yates Pet, etal 9-1-89 V-1217 37 50
Yates Pet, etal 3-1-94 V-190 36 89
ARCO 11-1-2002 VA-1697 221 98
Gates-O'Brien
ARCO 12-5-99 3-20-2000
Yates Pet, etal 11-1-2002 V-5198 37 50
Saga Pet.
33
34
35
36
A. Antweil 8-1-90 LG-8488 158 33
State
Elk Oil, M.I.
F.E. Levers
Top Preuitt (S)
Elk Oil Bagley-St.
BTA, etal
Myrtle 689 Ltd
Ronadera & Tierra Oil 6-1-89 V-1086
Yates Pet. 12-1-88 LG-6126
37 89
CAPROCK, E.
CAPROCK, NO.
Amerada State
WTG Expl. HBP L-2775
4
3
2
Matador
Sun
Apache
Paladin Ener, etal
Texaco NCT-9 B-9946
Yates Pet., etal 12-1-2001 V-4993 33 93
Permian West Corp.
Bellwether & Pure
Tenneco
Tenneco-Sunshine
Chambers Trust, etal
Norman Hahn (S)
BTA, etal
Brewer 689 Ltd.
Wm. E. Brewer 1/2 M.I.
Kenneth Augustine
6
State, MI
Bar T Bar, Inc. (S)
Yates Pet., etal 6-1-89 V-1087 70 83
Texaco Sunray HBP
Elk Oil & Vista Energy 3-1-89 LG-6405 90 63
Elk Oil Conners-St.
KC Res.
E.E. Diffee 6-25-89
James Currie
J.L. Cox L-900
9
10
11
12
Yates 3-1-89 LG-6406 56 25
12-1-2001 V-5003 25 90
Cochrain, etal, MI
D.L. Fullingim, etal, (S)
State
Texaco H.B.P. B-10141
Phillips HBP
Yates Pet., etal 7-1-96 V-3774 24 93
B J. Cochrain, etal, MI
Jessie Lee Hoard, etal, MI
Wm N. Glenn, S
Gulf Leo-St. TD 3035
16
15
14
13
18
Manzano
Murphy Corp. 12-10-88
Secondary Oil
State. MI
K.T. Augustine
D.L. Fullingim, etal, (S) & M.I.
Trigg Family Tr. 069224
Trigg Family, Tr. 0292600
Tex. Amer. 068747
Sinclair 0297629
Texaco
Spencer & Hutson HBP G-6785
Yates Pet, etal 8-1-2002 V-5123 183 93
Monzano 5-23-91
Yates Pet, etal 5-1-93 V-2567 15 54
MIDLAND © MAP
D.L. Fullingim, etal, (S)
W.E. CAPROCK QN. UNIT
C.A.
LILEY (OPER)
12
32 "Fed."
U.S.
Byron Fort (S)
Texaco Douthitt
E. Douthitt, Est. 1/2 M.I.
P.F. Connor M.I.
Bill & R.D. Lee
Saga
Yates 9-1-89 LG-6978 77 89
State. MI
Chas. Good, etal (S)
Devon Ener. HBP E-3499
Yates Pet, etal 8-1-2002 V-5123 183 93
24
Yates Pet, etal 7-1-96 V-3773 115 53
19
Adobe
State

DISPOSAL WELL

API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W	
30-025-00110	NEW MEXICO BH STATE	4	PALADIN ENERGY CORP	11235					D	11	12	S	32	E	990	N	990	W

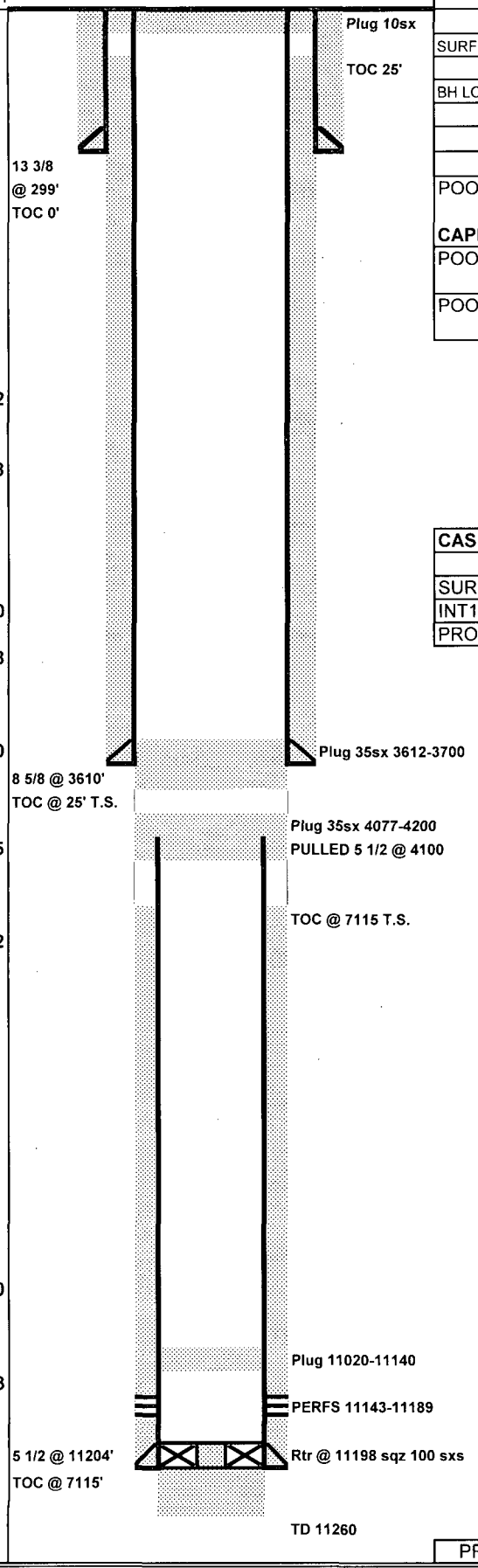
Wells within 1/2 mile of the proposed disposal well. 5280 5280

	API #	PROPERTY NAME	#	OPERATOR	TD	TYPE	STAT	CO	LAND	U/L	SEC	TWN		RNG		N/S		E/W		Distance
1	30-025-00078	PRE-ONGARD WELL	1	PRE-ONGARD WELL OPERATOR	11206		P&A			N	2	12	S	32	E	660	S	1980	W	1924
2	30-025-00079	PRE-ONGARD WELL	2	PRE-ONGARD WELL OPERATOR	11336		P&A			M	2	12	S	32	E	660	S	660	W	1682
3	30-025-23278	PRE-ONGARD WELL	1	PRE-ONGARD WELL OPERATOR	10700		P&A			A	10	12	S	32	E	660	N	660	E	1682
4	30-025-00104	STATE EC C	1	PALADIN ENERGY CORP	11240		A			G	11	12	S	32	E	1980	N	1980	E	2513
5	30-025-00105	STATE EC C	2	PALADIN ENERGY CORP	11228		A			B	11	12	S	32	E	660	N	1980	E	2333
6	30-025-00107	PRE-ONGARD WELL	1	PRE-ONGARD WELL OPERATOR	11295		P&A			L	11	12	S	32	E	1980	S	660	W	2333
7	30-025-00108	NEW MEXICO BH STATE	3	PALADIN ENERGY CORP	11272		A			E	11	12	S	32	E	1980	N	663	W	1042
8	30-025-00109	NEW MEXICO BB STATE	1	PALADIN ENERGY CORP	11225		A			K	11	12	S	32	E	1989	S	1985	W	2506
9	30-025-08007	NEW MEXICO BH STATE	1	PALADIN ENERGY CORP	11220		A			C	11	12	S	32	E	660	N	1980	W	1043
10	30-025-08008	NEW MEXICO BH STATE	2	PALADIN ENERGY CORP	11225		A			F	11	12	S	32	E	1980	N	1980	W	1400

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1442
Top Salt	1518
Base Salt	2140
Yates	2268
Queen	
San Andres	3560
Glorieta	4945
Abo	7212
Wolfcamp	
Pennsylvanian	
Miss Lm	10460
Devonian	11143



APINUM:	30-025-00078
OPERATOR:	AMERADA PETROLEUM CORP
LEASENAME:	STATE EC D
WELL NO.	1
SURF LOC: UL: N SEC: 2 TWN: 12S RNG: 32E	
	660 FSL 1980 FWL
BH LOC: UL: N SEC: 2 TWN: 12S RNG: 32E	
	660 FSL 1980 FWL
TD 11260 PBD 0 KB DF	
GL	
POOL	PERFS 11143-11189
CAPROCK;DEVONIAN, EAST	Open Hole 11204-11260 sqz
POOL	PERFS
POOL	PERFS

CASING RECORD

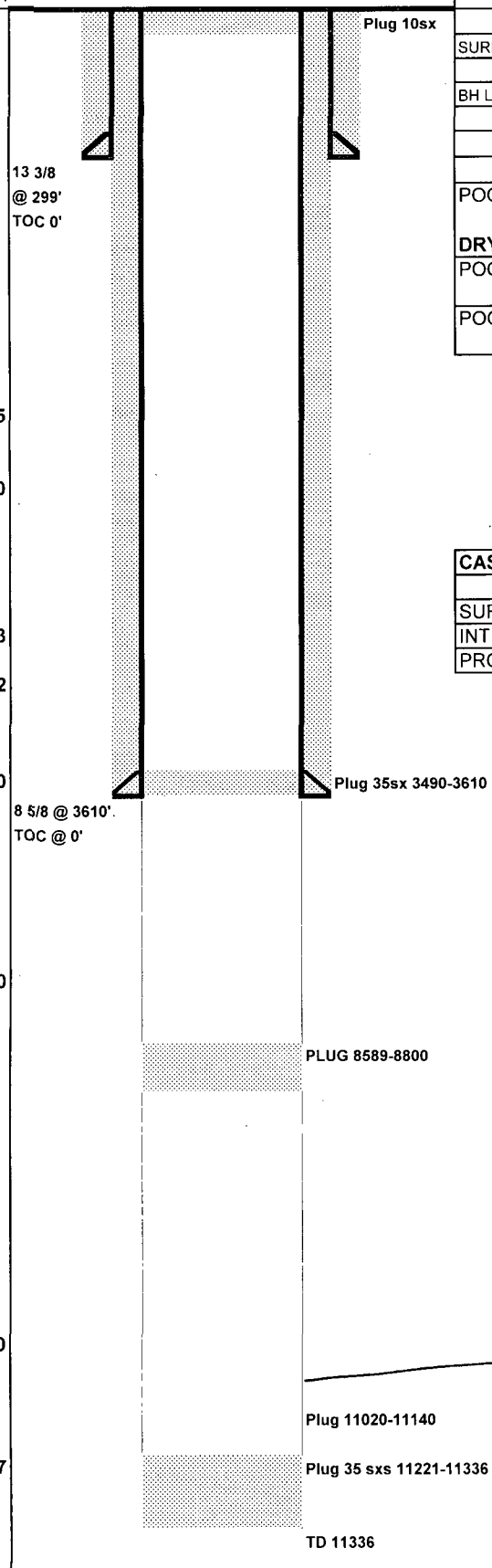
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	299	245 sxs	17 1/2	0' CIRC
INT1	8 5/8	3610	1500 sxs	11	25 T.S.
PROD.	5 1/2	11204	600 sxs	7 7/8	7115' T.S.

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1515
Top Salt	1550
Base Salt	2163
Yates	2292
Queen	
San Andres	3570
Glorieta	
Abo	7260
Wolfcamp	
Pennsylvanian	
Miss Lm	10720
Devonian	11307



APINUM:	30-025-00079				
OPERATOR:	AMERADA PETROLEUM CORP				
LEASENAME:	STATE EC D			WELL NO.	2
SURF LOC:	UL: M	SEC: 2	TWN: 12S	RNG:	32E
	660 FSL		660 FWL		
BH LOC:	UL: M	SEC: 2	TWN: 12S	RNG:	32E
	660 FSL		660 FWL		
TD 11336	PBD 0	KB	DF 4398		
		GL			

POOL	PERFS
DRY & ABANDONED	Open Hole
POOL	PERFS
POOL	PERFS

CASING RECORD

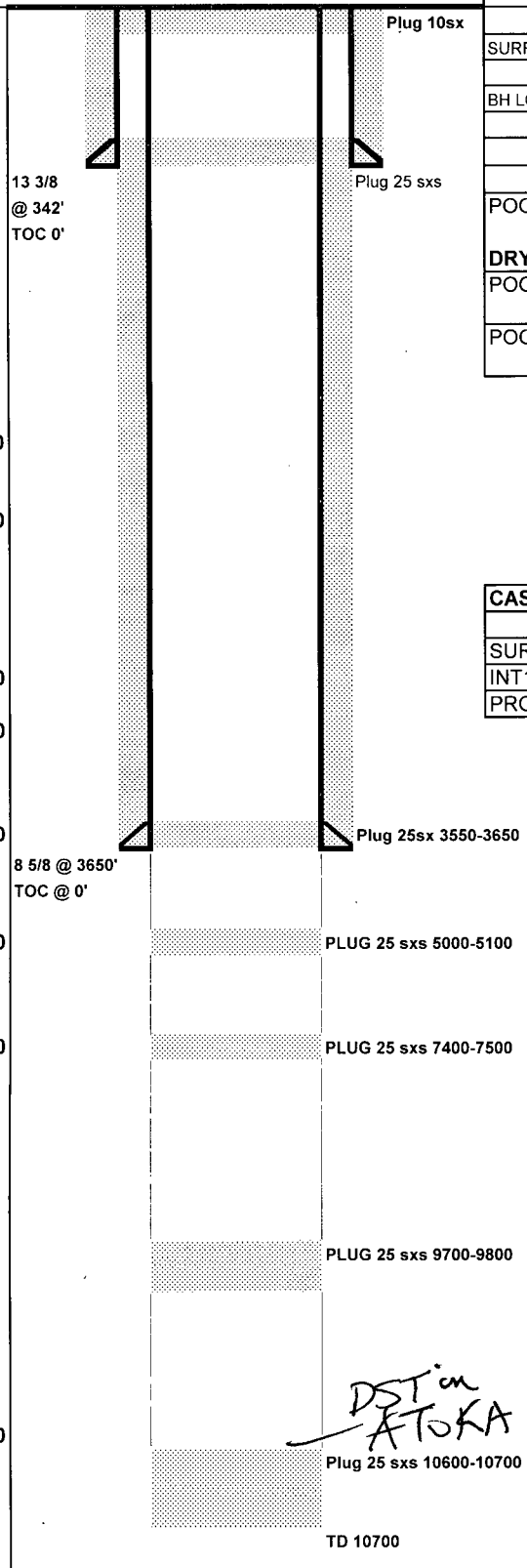
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	299	225 sxs	17 1/2	0' CIRC
INT1	8 5/8	3610	1500 sxs	11	0' CIRC
PROD.					

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1600
Top Salt	1750
Base Salt	2150
Yates	2350
Queen	
San Andres	3580
Glorieta	5150
Abo	7520
Wolfcamp	
Pennsylvanian	
Miss Lm	10680



APINUM:	30-025-23278				
OPERATOR:	ELK OIL COMPANY				
LEASENAME:	CONNER STATE			WELL NO.	1
SURF LOC:	UL: A	SEC: 10	TWN: 12S	RNG:	32E
	660 FNL		660 FEL		
BH LOC:	UL: A	SEC: 10	TWN: 12S	RNG:	32E
	660 FNL		660 FEL		
TD 10700	PBD 0	KB	DF		
		GL 4383			

POOL	PERFS
DRY & ABANDONED	Open Hole
POOL	PERFS
POOL	PERFS

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	342	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3650	300 sxs	11	0' CIRC
PROD.					

P&A 1969

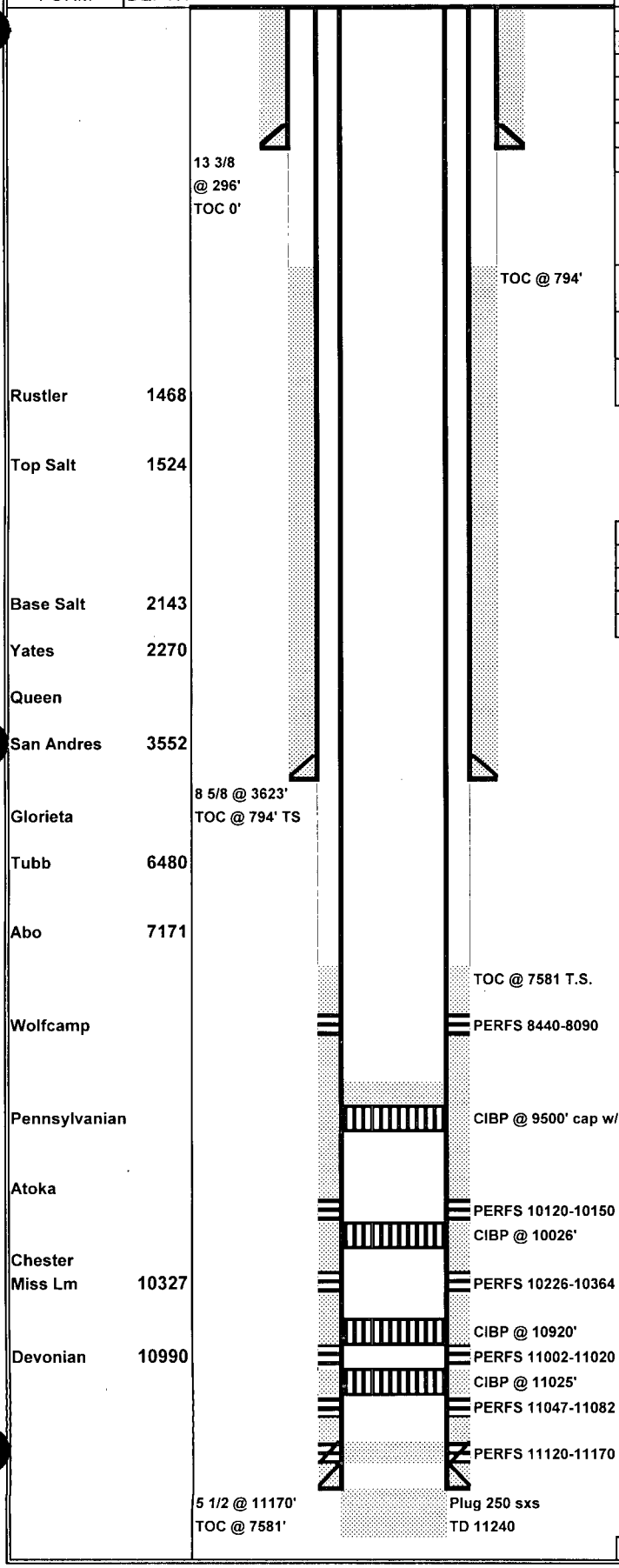
CHK

Well is Just West of Prop. ing well

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



APINUM:	30-025-00104				
OPERATOR:	PALADIN ENERGY CORP				
LEASENAME:	STATE EC C			WELL NO.	1
SURF LOC:	UL: G	SEC: 11	TWN: 12S	RNG:	32E
	1980 FNL		1980 FEL		
BH LOC:	UL: G	SEC: 11	TWN: 12S	RNG:	32E
	1980 FNL		1980 FEL		
TD 11240	PBD	KB	DF 4361		
		GL			

POOL	PERFS	11120-11170 sqz
		11047-11082
		11002-11020
CAPROCK;DEVONIAN, EAST	Open Hole	11170-11240 sqz
POOL Zone Dry in this wellbore	PERFS	10226-10364
CAPROCK;MISSISSIPPIAN, EAST (GAS)		
POOL	PERFS	10120-10150
CAPROCK;ATOKA, NORTHEAST (GAS)		
POOL	PERFS	8440-8490
CAPROCK;WOLFCAMP,EAST		

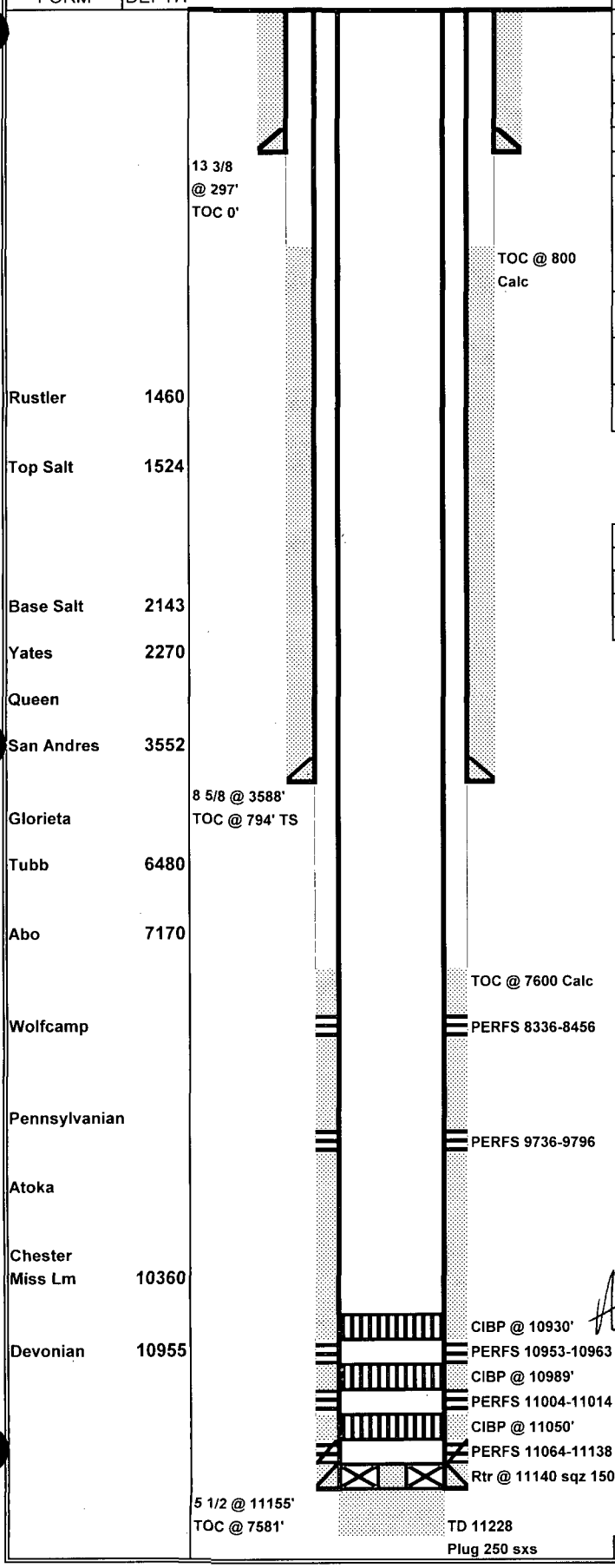
CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	296	'225 sxs	17 1/2	0' CIRC
INT1	8 5/8	3623	1500 sxs	12 1/4	794' T.S.
PROD.	5 1/2	11170	600 sxs	7 3/8	7581' T.S.

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



APINUM:	30-025-00105
OPERATOR:	PALADIN ENERGY CORP
LEASENAME:	STATE EC C
WELL NO.	2

SURF LOC:	UL:	B	SEC:	11	TWN:	12S	RNG: 32E
	660 FNL				1980 FEL		
BH LOC:	UL:	B	SEC:	11	TWN:	12S	RNG: 32E
	660 FNL				1980 FEL		

TD	11228	PBD		KB	DF 4361
				GL	

POOL	PERFS	11064-11138
		11004-11014
		10953-10963
	Open Hole	11155-11170 sqz
CAPROCK;DEVONIAN, EAST	Open Hole	11170-11228 sqz
POOL Zone Dry in this wellbore	PERFS	8336-8456
CAPROCK;WOLFCAMP,EAST		
POOL	PERFS	9736-9796
CAPROCK;UPPER PENN,EAST		
POOL	PERFS	

CASING RECORD

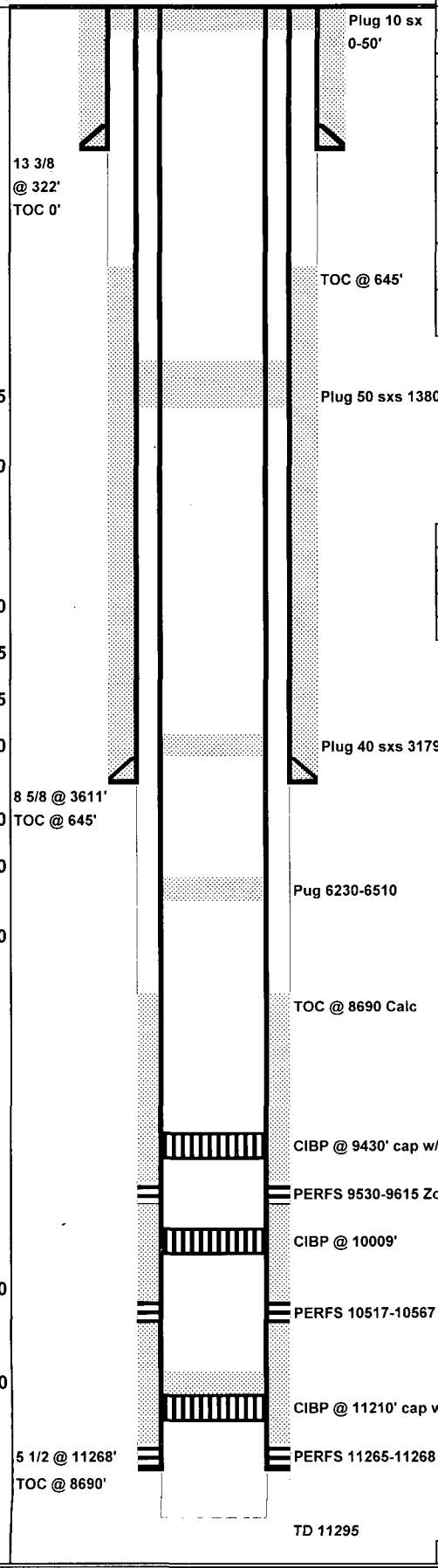
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	297	'225 sxs	17 1/2	0' CIRC
INT1	8 5/8	3588	1500 sxs	11	800' calc
PROD.	5 1/2	11155	600 sxs	7 3/8	7600' calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1515
Top Salt	1600
Base Salt	2210
Yates	2305
Queen	3165
San Andres	3590
Glorieta	5010
Tubb	6480
Abo	7260
Wolfcamp	
Pennsylvanian	
Miss Lm	10630
Devonian	11260



APINUM:	30-025-00107				
OPERATOR:	UNION OIL CO OF CALIFORNIA				
LEASENAME:	GROSS STATE			WELL NO.	1
SURF LOC:	UL: L	SEC: 11	TWN: 12S	RNG:	32E
	1980 FSL		660 FWL		
BH LOC:	UL: L	SEC: 11	TWN: 12S	RNG:	32E
	1980 FSL		660 FWL		
TD 11295	PBD	KB	DF		
		GL			

POOL	PERFS	11265-11268
CAPROCK;DEVONIAN, EAST	Open Hole	11268-11295
POOL Zone Dry in this wellbore	PERFS	9530-9615
CAPROCK;UPPER PENN, EAST		
POOL	PERFS	

CASING RECORD

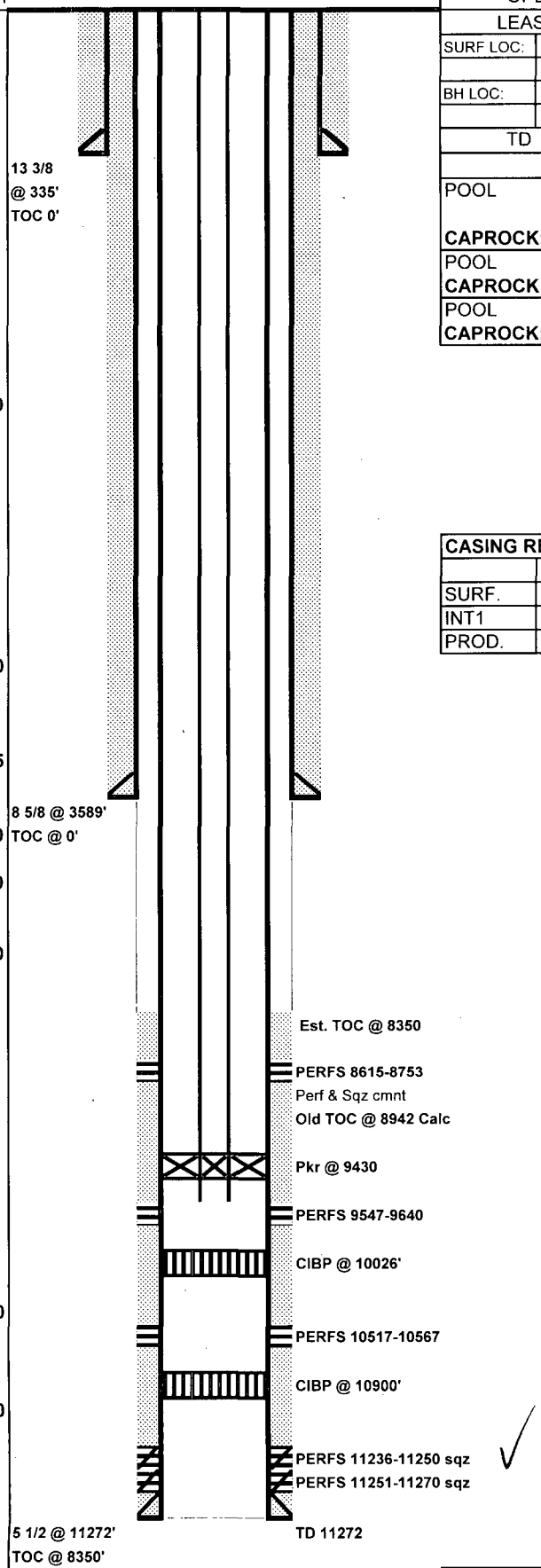
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	11 3/4	322	250 sxs	15	0' CIRC
INT1	8 5/8	3611	924 sxs	11	645' calc
PROD.	5 1/2	11268	350 sxs	7 7/8	8690' calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1500
Top Salt	
Base Salt	
Yates	2300
Queen	
San Andres	3565
Glorieta	5050
Tubb	6480
Abo	7350
Wolfcamp	
Pennsylvanian	
Miss Lm	10500
Devonian	11210



APINUM:	30-025-00108				
OPERATOR:	PALADIN ENERGY CORP				
LEASENAME:	NEW MEXICO BH STATE			WELL NO.	3
SURF LOC:	UL: E	SEC: 11	TWN: 12S	RNG:	32E
	1980 FNL		663 FWL		
BH LOC:	UL: E	SEC: 11	TWN: 12S	RNG:	32E
	1980 FNL		663 FWL		
TD 11272	PBD 11270	KB		DF	
		GL 4381			

POOL	PERFS	11236-11250
	PERFS	11251-11270
CAPROCK;DEVONIAN, EAST	Open Hole	
POOL	PERFS	9547-9640
CAPROCK;UPPER PENN, EAST		
POOL	PERFS	8615-8753 SI
CAPROCK;WOLFCAMP, EAST		

CASING RECORD

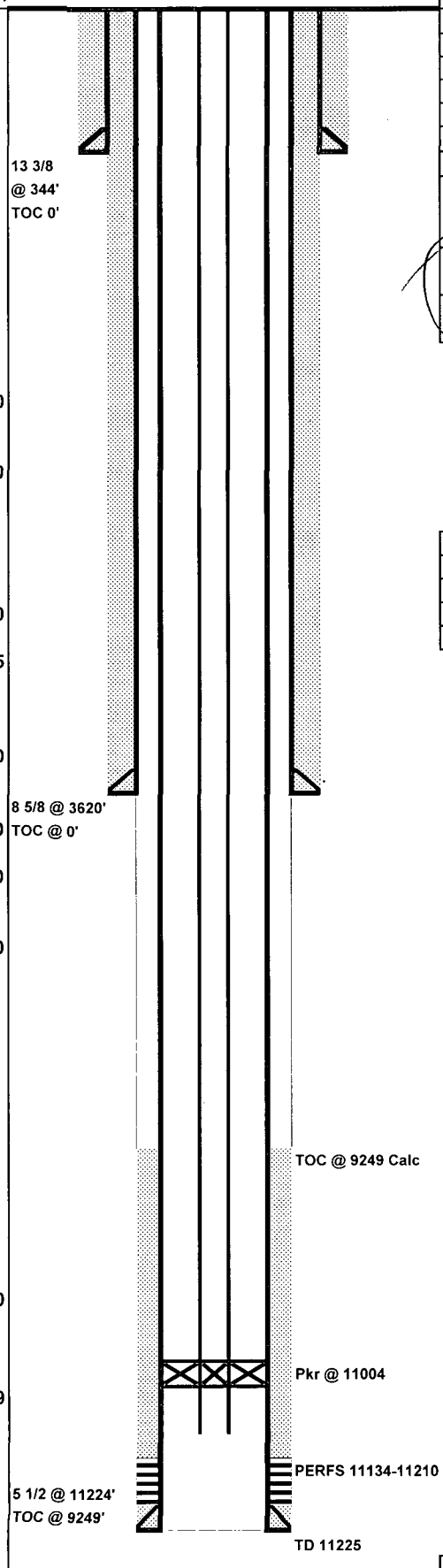
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	335	350 sxs	17 1/4	0' CIRC
INT1	8 5/8	3589	2300 sxs	11	0' Calc
PROD.	5 1/2	11272	500 sxs	7 7/8	8942' Calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1490
Top Salt	1550
Base Salt	2180
Yates	2275
Queen	
San Andres	3570
Glorieta	5000
Tubb	6450
Abo	7200
Wolfcamp	
Pennsylvanian	
Miss Lm	10470
Devonian	11129



APINUM:	30-025-00109				
OPERATOR:	PALADIN ENERGY CORP				
LEASENAME:	NEW MEXICO BB STATE			WELL NO.	4
SURF LOC:	UL: K	SEC: 11	TWN: 12S	RNG:	32E
	1989 FSL		1985 FWL		
BH LOC:	UL: K	SEC: 11	TWN: 12S	RNG:	32E
	1989 FSL		1985 FWL		
TD 11225	PBD	KB	DF 4373		
		GL			

POOL	PERFS 11162-11192
CAPROCK;DEVONIAN, EAST	Open Hole
POOL	PERFS 11134-11210
SWD;DEVONIAN	
POOL	PERFS

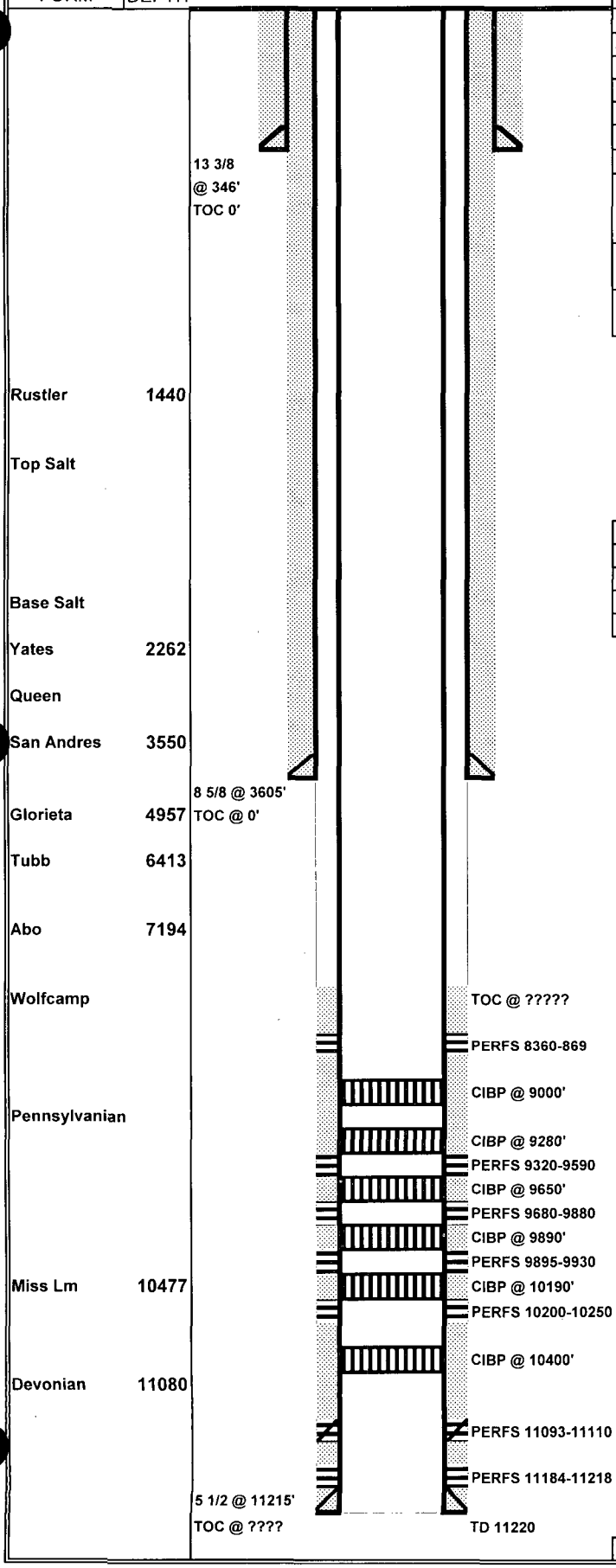
CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	344	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3620	2400 sxs	11	0' CIRC
PROD.	5 1/2	11224	400 sxs	7 3/4	9249 Calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC



APINUM:	30-025-08007						
OPERATOR:	PALADIN ENERGY CORP						
LEASENAME:	NEW MEXICO BH STATE					WELL NO.	1
SURF LOC:	UL:	C	SEC:	11	TWN: 12S	RNG:	32E
	660 FNL				1980 FWL		
BH LOC:	UL:	C	SEC:	11	TWN: 12S	RNG:	32E
	660 FNL				1980 FWL		
TD 11220	PBD		KB		DF		
			GL				

POOL	PERFS 11184-11218
CAPROCK;DEVONIAN, EAST	Open Hole
POOL Zone Dry in this wellbore	PERFS 9817-9878
CAPROCK;ATOKA, NORTHEAST (GAS)	
POOL	PERFS 8360-8690
CAPROCK;WOLFCAMP, EAST	

CASING RECORD

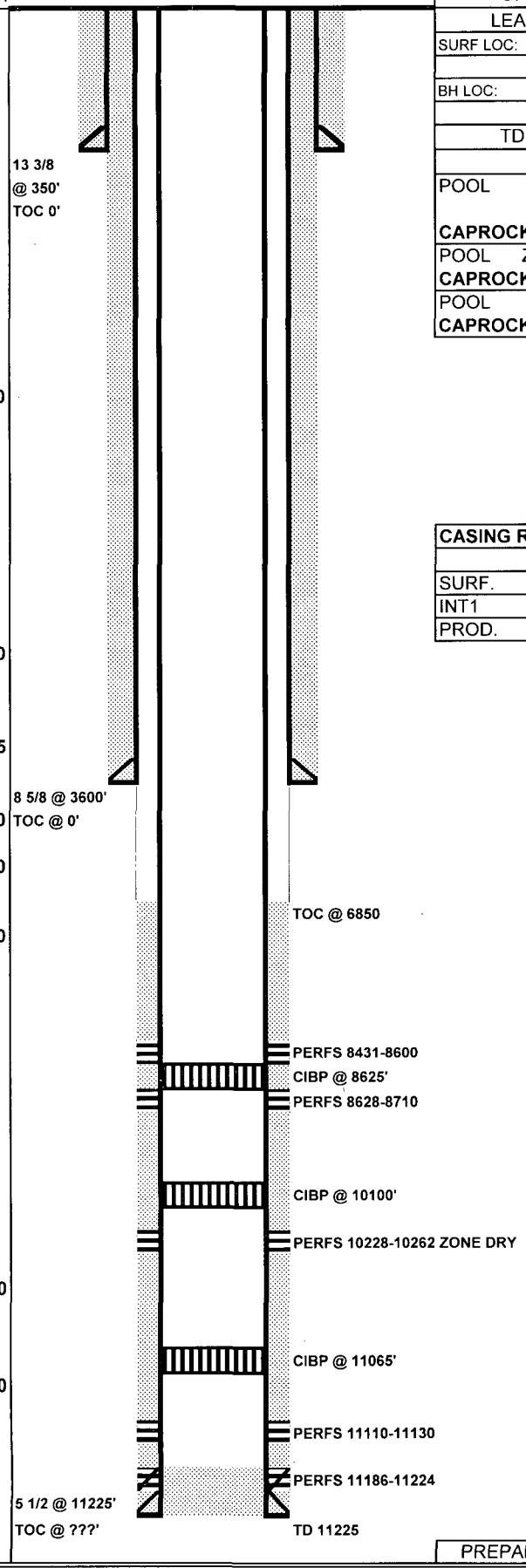
	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	346	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3605	2100 sxs	11	0' CIRC
PROD.	5 1/2	11220	400 sxs	7 7/8	9245' Calc

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

WELLBORE SCHEMATIC AND HISTORY

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1500
Top Salt	
Base Salt	
Yates	2300
Queen	
San Andres	3565
Glorieta	5050
Tubb	6480
Abo	7350
Wolfcamp	
Pennsylvanian	
Miss Lm	10500
Devonian	11210



APINUM:	30-025-08008
OPERATOR:	PALADIN ENERGY CORP
LEASENAME:	NEW MEXICO BH STATE
WELL NO.	2

SURF LOC:	UL:	F	SEC:	11	TWN:	12S	RNG: 32E
	1980 FNL				1980 FWL		
BH LOC:	UL:	F	SEC:	11	TWN:	12S	RNG: 32E
	1980 FNL				1980 FWL		

TD 11225	PBD	KB	DF
		GL 4366	

POOL	PERFS 11186-11224
	11110-11130
CAPROCK;DEVONIAN, EAST	Open Hole
POOL Zone Dry in this wellbore	PERFS 10228-10262
CAPROCK;ATOKA, NORTHEAST (GAS)	
POOL	PERFS 8431-8600
CAPROCK;WOLFCAMP, EAST	8628-8710

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	350	355 sxs	17 1/2	0' CIRC
INT1	8 5/8	3600	2300 sxs	11	0' CIRC
PROD.	5 1/2	11225	950 sxs	7 7/8	6850

PREPARED BY:	Eddie Seay	UPDATED	03/14/08

LEA

POOL: Anderson Ranch - Wolfcamp

All values in Parts per Million - PPM.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magesium Mg.	Calcium Ca.	Sulfate So4	Sulfide H2S
Conoco	11-16-32	Wolf	Pw	23,785	15,460				
Conoco-OCD	2-16-32	Wolf	Pw	11,040	7,176				

Pool Chloride Average (All Pool Formations).	Form. Wolf	17,125
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	

CODE:

WF = Water Flood Water

PW = Produced Water (Primary)

R = Reef water.

POOL: McCormack - Silurian

Lea

All values in Parts per Million - PPM.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magesium Mg.	Calcium Ca.	Sulfate So4	Sulfide H2S
Mobil - OCD	D-33-21-37	Sil.	Pw	28,684	18,645				

Pool Chloride Average (All Pool Formations).	Form. Silurian	28,684
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	

CODE:

WF = Water Flood Water

PW = Produced Water (Primary)

R = Reef water.

POOL: Dean - Devonian

All values in Parts per Million - PPM.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magesium Mg.	Calcium Ca.	Sulfate So4	Sulfide H2S
Atl. Rich. -oil	35-15-36	Dev.	PW	19,525	12,691				
Atl Rich	-15-36	Dev.	PW	18,260	10,924	175	1,312	1,100	

Pool Chloride Average (All Pool Formations).	Form. Devonian	18,893
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	
Pool Formation Average - PPM Cl.	Form.	

CODE:

WF = Water Flood Water

PW = Produced Water (Primary)

R = Reef water.

CARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
EDDIE SEAY CONSULTING
ATTN: EDDIE SEAY
601 W. ILLINOIS
HOBBS, NM 88242
FAX TO: (575) 392-6949

Receiving Date: 04/01/08
Reporting Date: 04/03/08
Project Owner: PALADIN
Project Name: PALADIN, BAGLEY EAST CAPROCK
Project Location: SECT. 11 T.12 R.32E. LEA CO., NM

Sampling Date: 03/31/08
Sample Type: GROUNDWATER
Sample Condition: INTACT
Sample Received By: AB
Analyzed By: HM/KS

LAB NUMBER SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (u S/cm)	T-Alkalinity ($mgCaCO_3$/L)
ANALYSIS DATE:	04/02/08	04/02/08	04/02/08	04/02/08	04/01/08	04/01/08
H14546-1 BEC #1	36	69.2	12.9	1.82	602	188
Quality Control	NR	49.2	50.0	3.07	1,421	NR
True Value QC	NR	50.0	50.0	3.00	1,413	NR
% Recovery	NR	98.5	100	102	100	NR
Relative Percent Difference	NR	2.8	1.6	1.6	0.2	NR
METHODS:		SM3500-Ca-D	3500-Mg E	8049	120.1	310.1

	Cl^- (mg/L)	SO_4 (mg/L)	CO_3 (mg/L)	HCO_3 (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:	04/01/08	04/02/08	04/01/08	04/01/08	04/01/08	04/02/08
H14546-1 BEC #1	52	43.9	0	229	7.57	397
Quality Control	490	25.6	NR	988	7.06	NR
True Value QC	500	25.0	NR	1000	7.00	NR
% Recovery	98.0	102	NR	98.8	101	NR
Relative Percent Difference	2.0	4.7	NR	1.2	0.3	NR
METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Kristen Dupree
Chemist

04103108
Date

H14546 ESEAY

CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240
(505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page_____ of _____

Company Name:	Eddie Seay Consulting
Project Manager:	Eddie Seay
Address:	601 W Illinois
City:	Hobbs State: NM Zip: 88242
Phone #:	392-2236 Fax #: 392-2949
Project #:	Paladin Project Owner: Paladin
Project Name:	Paladin, Bagley East Caprock
Project Location:	Sec 11 T. 12 R. 32 E. Lea Co
Sampler Name:	Eddie Seay

BILL TO

P.O. #:	
Company:	Same
Attn:	
Address:	
City:	
State:	Zip:
Phone #:	
Fax #:	

ANALYSIS REQUEST

FOR LAB USE ONLY Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX: GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	PRESERV.: ACID/BASE:	ICE / COOL	OTHER :	SAMPLING: DATE	TIME	Gen Chem
H14546-1	BEC #1	√	1	√							√		3/31	4:10	√

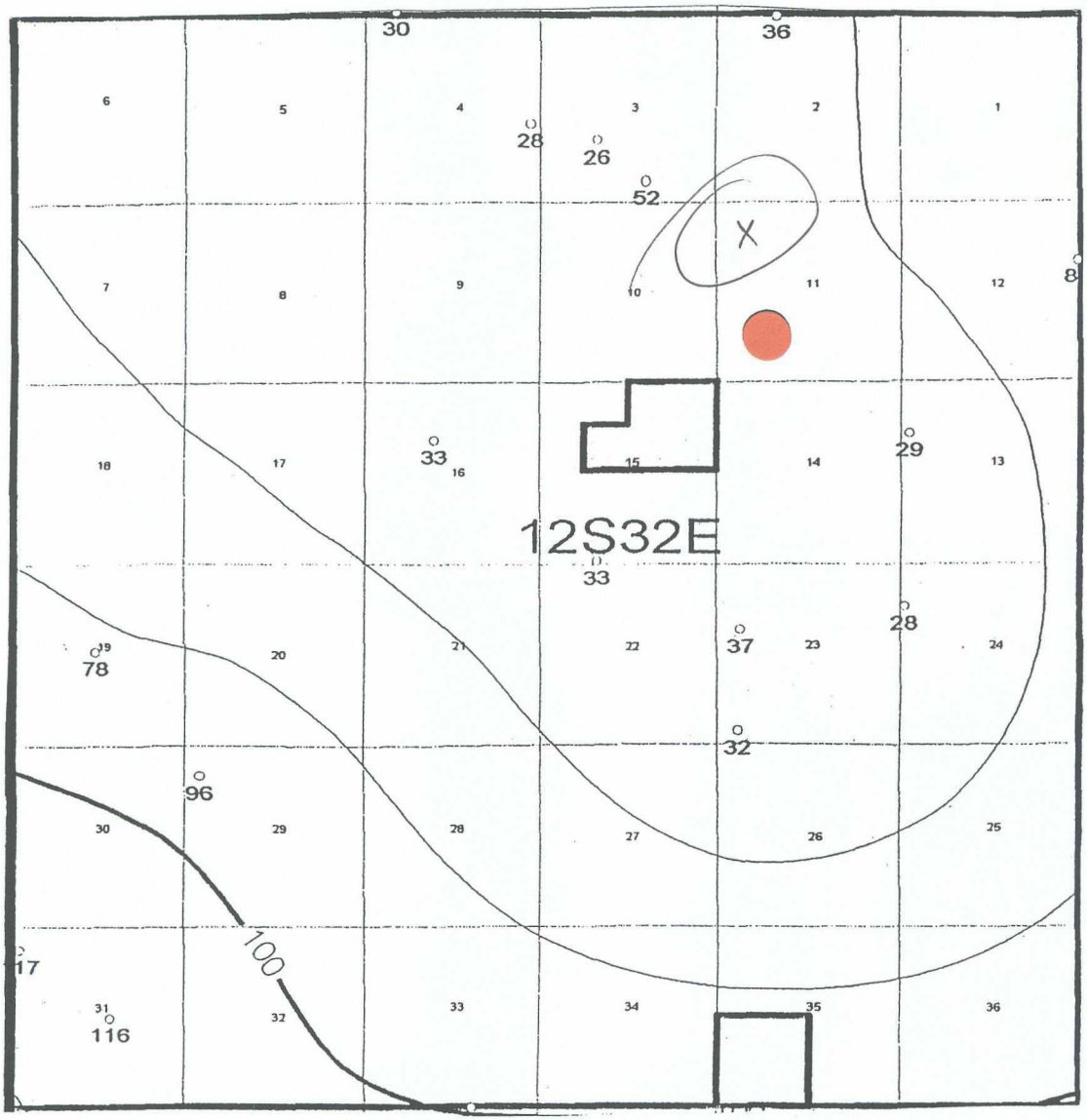
Sampler Relinquished:	Date: 4/1	Received By:	
	Time: 1:10		
Relinquished By:	Date:	Received By:	
	Time:		

Delivered By: (Circle One)
Sampler - UPS - Bus - Other:

Temp.	Sample Condition: Cool	Sample Condition: Intact	CHECKED BY: (Initials)
	☐ Yes ☒ No	☒ Yes ☐ No	

Phone Result: ☐ Yes ☐ No Add'l Phone #:
Fax Result: ☐ Yes ☐ No Add'l Fax #:
REMARKS:

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



Groundwater Map

● water sample

LEASE OWNERS AND OFFSETS

LANDOWNER

State Land Office
310 Old Santa Fe Trail
Box 1148
Santa Fe, NM 87504-1148

OFFSET OPERATORS

Paladin Energy Corp.
10290 Monroe Dr., Ste. 301
Dallas, TX 75229

PALADIN ENERGY CORP.

April 8, 2008

RE: NM BH State NCT 1 #4
Unit D, Sect. 11, T. 12 S., R. 32 E.
API #30-025-00110

Dear Sir:

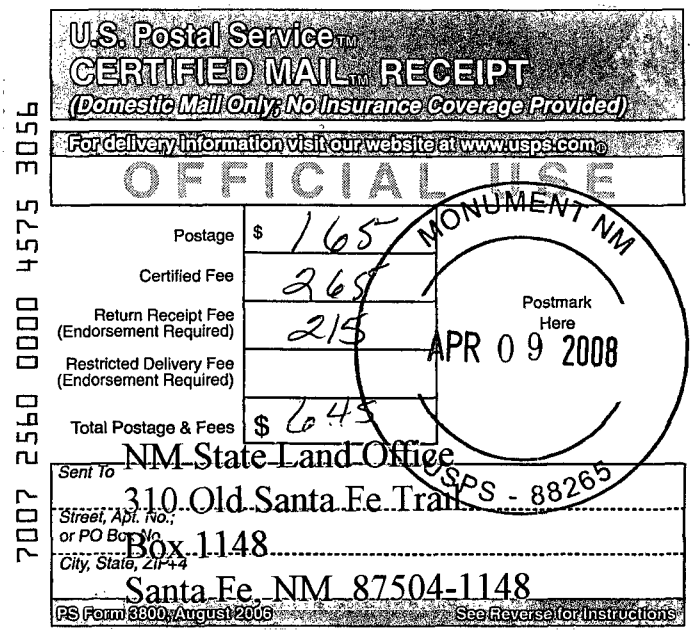
In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, you are being provided a copy of the C-108, Application for Authorization to Inject in to the above captioned well.

Any questions about the permit can be directed to Eddie W. Seay, (575)392-2236. Any objections or request for hearing must be filed with the Oil Conservation Division within fifteen (15) days from the date received. The OCD address is 1220 S. Saint Francis Drive, Santa Fe, NM 87504, (505)476-3440.

Thank you,

Eddie W. Seay

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net



U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ 1.65
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.45

MONUMENT NM
Postmark Here
APR 09 2008
USPS - 88265

Sent To: NM State Land Office
Street, Apt. No.; or PO Box No.: 310 Old Santa Fe Trail Box 1148
City, State, ZIP+4: Santa Fe, NM 87504-1148

7007 2560 0000 4575 3056

PS Form 3800, August 2006 — See Reverse for Instructions

LEGAL NOTICE

Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Paladin Energy Corp., 10290 Monroe Dr., Ste. 301, Dallas, Texas 75229, is filing a C-108, Application for Salt Water Disposal. The well being applied for is the New Mexico BH State NCT 1 #4, API 30-025-00110, located in Unit D, Section 11, Township 12 South, Range 32 East, Lea Co., NM. The injection formation is the Mississippian from 10517′ to 10567′ and Devonian from 11215′ to 11435′ below surface. Expected maximum injection rate is 3000 bpd., and the expected maximum injection pressure is 1200 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575)392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505)476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.

Affidavit of Publication

STATE OF NEW MEXICO)
) ss.
COUNTY OF LEA)

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertisting Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for one (1) day, beginning with the issue of April 10, 2008 and ending with the issue of April 10, 2008.

And that the cost of publishing said notice is the sum of $25.08 which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this 14th day of April 2008

Debbie Schilling

Debbie Schilling
Notary Public, Lea County, New Mexico
My Commission Expires June 22, 2010

LEGAL NOTICE
Pursuant to the rules and regulations of the Oil Conservation Division of the State of New Mexico, Paladin Energy Corp., 10290 Monroe Dr., Ste. 301, Dallas, Texas 75229;

is filing a C-108, Application for Salt Water Disposal. The well being applied for is the New Mexico BH State NCT 1 #4. API 30-025-00110, located in Unit D, Section 11, Township 12 South, Range 32 East, Lea Co., NM. The injection formation is the Mississippian from 10517' to 10567' and Devonian from 11215' to 11435' below surface. Expected maximum injection rate is 3000 bpd., and the expected maximum injection pressure is 1200 psi or what the OCD allows. Any questions about the application can be directed to Eddie W. Seay, (575) 392-2236, or any objection or request for hearing must be directed to the Oil Conservation Division, (505) 476-3440, 1220 South Saint Francis Drive, Santa Fe, NM 87504, within fifteen (15) days.
Published in the Lovington Leader April 10, 2008.

RECEIVED
2008 MAY 14 PM 12 15

May 9, 2008

NMOCD Engineering
ATTN: Will Jones
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Paladin Energy Corp.
NM BH #4

Mr. Jones:

Find response to your request on the above application.

(1) Mineral Ownership
- (a) Units M, N, and O Section 2.
  State minerals, Amerada Hess has lease.
- (b) Unit P Section 3.
  State minerals, Chevron USA has lease.
- (c) Units A, H and I Section 10.
  State minerals, Amerada Hess has lease.
- (d) The NW 1/4 of Section 11 and Units B, G, L, K of Section 11.
  State minerals, Paladin has lease, in NW 1/4 of Section 11, also Units B, G and K of Section 11.
  Matador Operating has mineral lease in Unit L Section 11.

NOTICE

(2) The logs you requested have been turned into district, Mr. Kautz said they have been scanned into system.

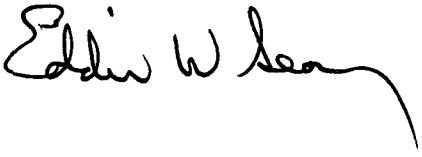
Question (3) and (4) - see attached from Paladin.

(5) Paladin would prefer to squeeze the Mississippian perfs from the subject well. Paladin will do whatever OCD requires.

(6) Paladin will perform production tests on the Devonian formation and will log as OCD requires.

If you should have additional questions, please call.

Thanks,



Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

cc: Paladin Operating

In reply to Will Jones' questions 3 and 4.

3) Ask Paladin to have a geologist talk about the Silurian which occurs to the East of this well and whether it could be present at this location and at what depth.

A simple answer to your question is that there is no Silurian production to the east and that the Silurian is not productive in this area. Let me explain further. The main geologic structure in northern Lea County is the Tatum Basin. The west flank of the Tatum Basin consists of a series of parallel high angle step faults down thrown to the east towards the center of the basin. The Caprock;Devonian, East pool lies on a structural high created by one of these faults. To the east the Bagley;Siluro-Devonian Pool is on a separate structure high formed by another of the step faults forming the west flank of the Tatum Basin.

For many years there has been a debate on whether or not the dolomite below the Woodford Shale is Devonian or Silurian in age. Per phone conversation with Hobbs District geologist Paul Kautz, the New Mexico Oil Conservation Division has used the term "Devonian" and "Siluro-Devonian" interchangeable for the dolomite below the Woodford Shale. The Caprock;Devonian, East and the Bagley;Siluro-Devonian are producing from the same stratigraphic horizon. The New Mexico Oil Conservation Division uses Silurian and Fussleman interchangeably.

4) The Atoka is apparently directly above the Miss and was tested by DST directly to the west in the 30-025-23278 well. Considering how old the electric logs are in this area – would the Geologist also talk about this interval and its potential?

The Atoka formation in section 11 was tested by Paladen in its State EC C, well no. 1 (API 30-025-00104) located in U/L G Sec 11, T 12 S, R 32 E. The well was tested for approximately 1 year starting in June 2003. The Atoka showed a rapid decline from 45,000 MCF per month to 0 MCF gas at the end of one year. It was tested again in 2006 and data indicates that Atoka is limited and wet.

RECEIVED
2008 MAY 23 PM 12 09

May 21, 2008

NMOCD Engineering
ATTN: Will Jones
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Paladin Energy Corp.
NM BH State #4
Supplement to C-108

Mr. Jones:

Find enclosed additional information as requested, a new well bore diagram and notices.

Should you have any other questions or need anything further, please call.

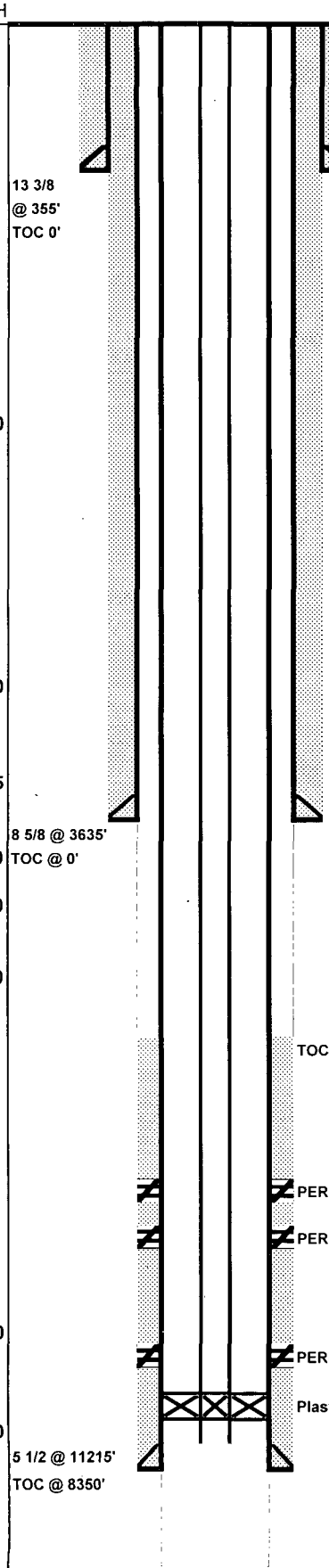
Thanks,

Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

WELLBORE SCHEMATIC AFTER

COMPLETION SCHEMATIC

FORM	DEPTH
Rustler	1500
Top Salt	
Base Salt	
Yates	2300
Queen	
San Andres	3565
Glorieta	5050
Tubb	6480
Abo	7350
Wolfcamp	
Pennsylvanian	
Miss Lm	10500
Devonian	11210



APINUM:	30-025-00110						
OPERATOR:	PALADIN ENERGY CORP						
LEASENAME:	STATE BH NCT 1					WELL NO.	4
SURF LOC:	UL: D	SEC: 11		TWN: 12S		RNG:	32E
	990 FNL			990 FWL			
BH LOC:	UL: D	SEC: 11		TWN: 12S		RNG:	32E
	990 FNL			990 FWL			
TD 11435	PBD		KB		DF		
			GL 4375				

POOL	PERFS	
CAPROCK;DEVONIAN, EAST	Open Hole	11215-11235
POOL Zone Dry in this wellbore	PERFS	10517-10567
CAPROCK;MISSISSIPPIAN, EAST (GAS)		
POOL	PERFS	9817-9878
CAPROCK;UPPER PENN, EAST		9916-9980
POOL	PERFS	11215-11435
Proposed Dev. SWD		

CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	355	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3635	2300 sxs	11	0' CIRC
PROD.	5 1/2	11215	400 sxs	7 7/8	8350' Calc

PREPARED BY:	Eddie Seay	UPDATED	05/20/08

WELLBORE SCHEMATIC AFTER

COMPLETION SCHEMATIC

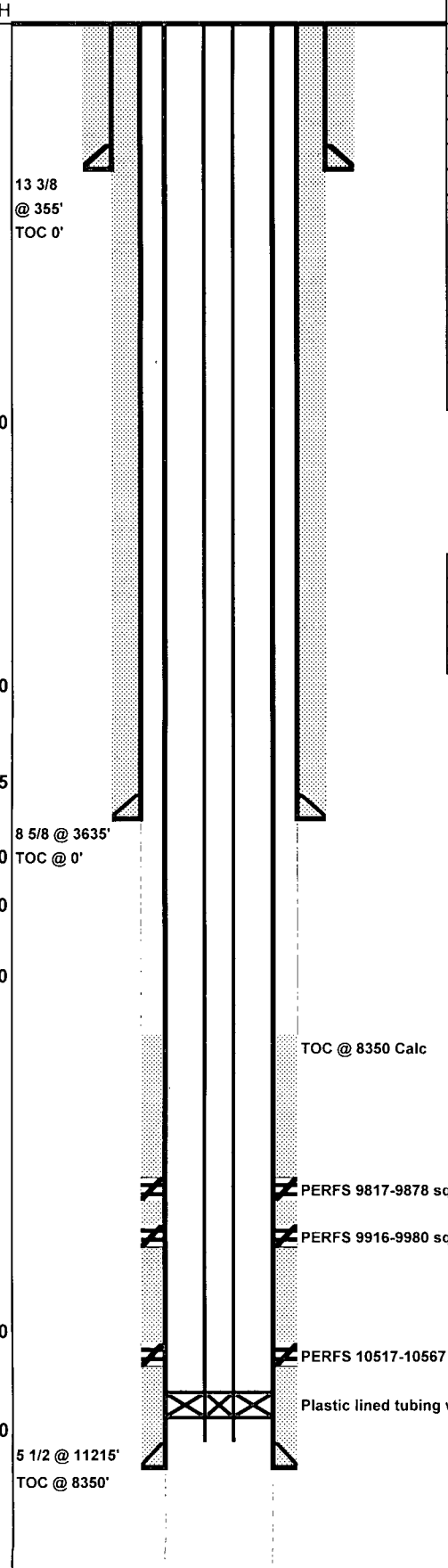
APINUM:	30-025-00110						
OPERATOR:	PALADIN ENERGY CORP						
LEASENAME:	STATE BH NCT 1					WELL NO.	4
SURF LOC:	UL: D	SEC: 11	TWN: 12S	RNG: 32E			
	990 FNL		990 FWL				
BH LOC:	UL: D	SEC: 11	TWN: 12S	RNG: 32E			
	990 FNL		990 FWL				
TD 11435	PBD		KB		DF		
			GL 4375				

POOL	PERFS	
CAPROCK;DEVONIAN, EAST	Open Hole	11215-11235
POOL Zone Dry in this wellbore	PERFS	10517-10567
CAPROCK;MISSISSIPPIAN, EAST (GAS)		
POOL	PERFS	9817-9878
CAPROCK;UPPER PENN, EAST		9916-9980
POOL	PERFS	11215-11435
Proposed Dev. SWD		

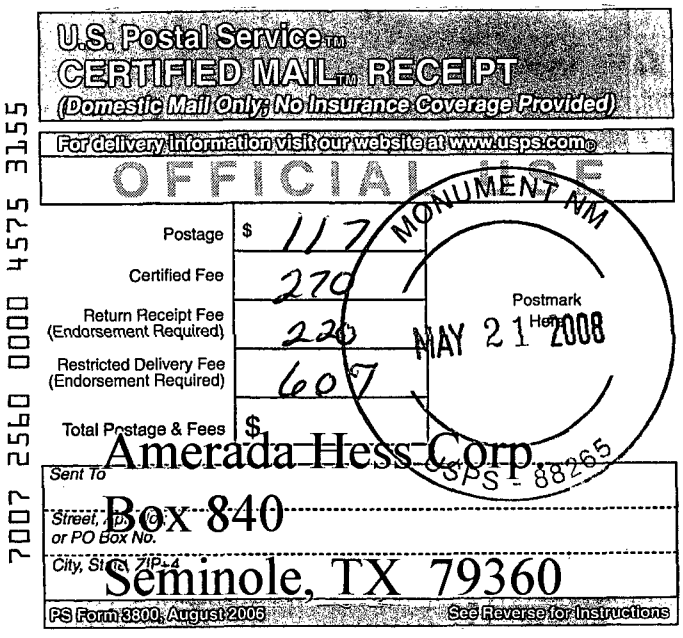
CASING RECORD

	SIZE	DEPTH	CMT	HOLE SIZE	TOC
SURF.	13 3/8	355	350 sxs	17 1/2	0' CIRC
INT1	8 5/8	3635	2300 sxs	11	0' CIRC
PROD.	5 1/2	11215	400 sxs	7 7/8	8350' Calc

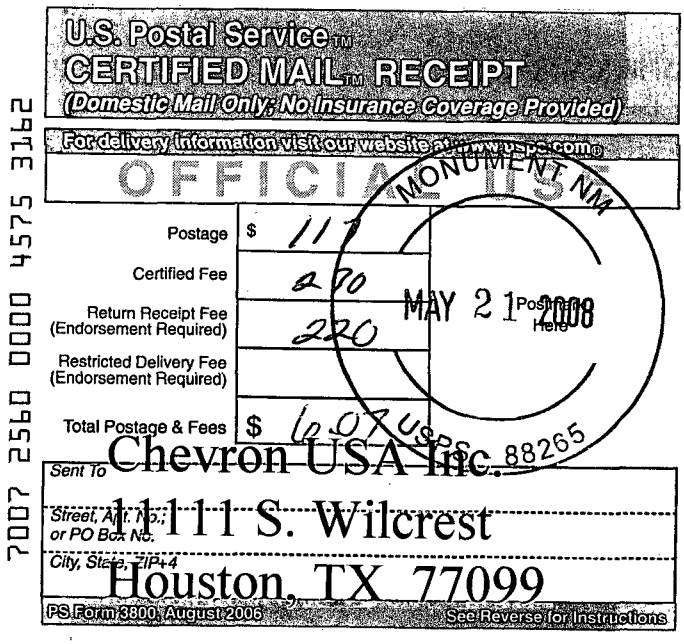
FORM	DEPTH
Rustler	1500
Top Salt	
Base Salt	
Yates	2300
Queen	
San Andres	3565
Glorieta	5050
Tubb	6480
Abo	7350
Wolfcamp	
Pennsylvanian	
Miss Lm	10500
Devonian	11210



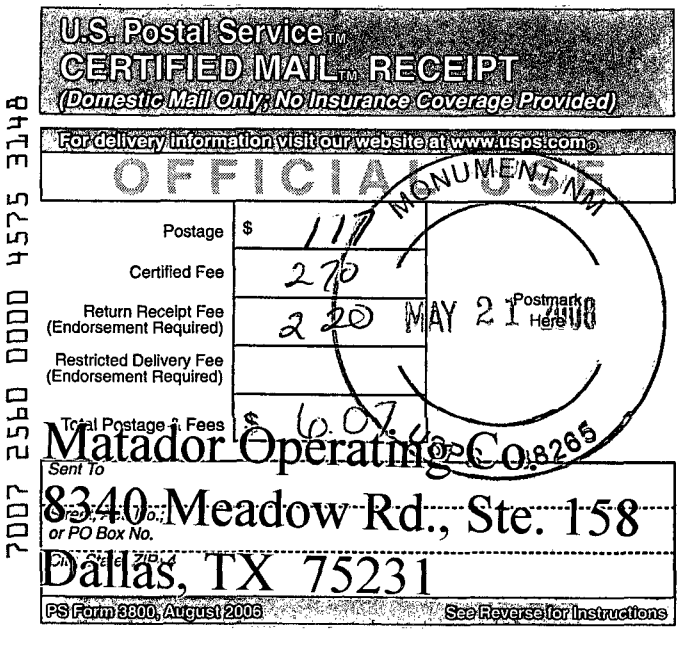
PREPARED BY:	Eddie Seay	UPDATED	05/20/08



U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®
OFFICIAL USE
Postage $ 1.17
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 2.20
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.07
MONUMENT NM
Postmark Here
MAY 21 2008
USPS - 88265
7007 2560 0000 4575 3155
Sent To
Amerada Hess Corp.
Street, Apt. No.; or PO Box No.
Box 840
City, State, ZIP+4
Seminole, TX 79360
PS Form 3800, August 2006
See Reverse for Instructions



U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®
OFFICIAL USE
Postage $ 1.17
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 2.20
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.07
MONUMENT NM
Postmark Here
MAY 21 2008
USPS - 88265
7007 2560 0000 4575 3162
Sent To
Chevron USA Inc.
Street, Apt. No.; or PO Box No.
11111 S. Wilcrest
City, State, ZIP+4
Houston, TX 77099
PS Form 3800, August 2006
See Reverse for Instructions



U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®
OFFICIAL USE
Postage $ 1.17
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 2.20
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.07
MONUMENT NM
Postmark Here
MAY 21 2008
USPS - 88265
7007 2560 0000 4575 3148
Sent To
Matador Operating Co.
Street, Apt. No.; or PO Box No.
8340 Meadow Rd., Ste. 158
City, State, ZIP+4
Dallas, TX 75231
PS Form 3800, August 2006
See Reverse for Instructions

7007 2560 0000 4575 3155

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ 1.17
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	0.00
Total Postage & Fees	$

MONUMENT NM
Postmark Here
MAY 21 2008
USPS 88265

Sent To
Amerada Hess Corp
Street, Apt. No., or PO Box No.
Box 840
City, State, ZIP+4
Seminole, TX 79360

PS Form 3800, August 2006 See Reverse for Instructions

7007 2560 0000 4575 3162

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ 1.17
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.07

MONUMENT NM
Postmark Here
MAY 21 2008
USPS 88265

Sent To
Chevron USA Inc.
Street, Apt. No., or PO Box No.
1111 S. Wilcrest
City, State, ZIP+4
Houston, TX 77099

PS Form 3800, August 2006 See Reverse for Instructions

7007 2560 0000 4575 3148

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$ 1.17
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.07

MONUMENT NM
Postmark Here
MAY 21 2008
USPS 88265

Sent To
Matador Operating Co.
Street, Apt. No., or PO Box No.
8340 Meadow Rd., Ste. 158
City, State, ZIP+4
Dallas, TX 75231

PS Form 3800, August 2006 See Reverse for Instructions

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Friday, May 16, 2008 8:49 AM
To: 'seay04@leaco.net'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD
Subject: RE: SWD Application on behalf of Paladin Energy Corp: NM BH State #4 API No. 30-025-00110 Miss perfs + Dev OpenHole

Hello Eddie:
Thanks for the reply to this request received here May 14.

I believe the following should complete any items required for this permit - please send:
1) New "after conversion" wellbore diagram showing the Miss perfs to be squeezed off and injection only into the open hole Devonian.
2) Proof of notice to Amerada Hess, Chevron USA, and Matador Operating.

Thank You,

R Jones 6/6/08

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Jones, William V., EMNRD
Sent: Wednesday, April 30, 2008 10:54 AM
To: 'seay04@leaco.net'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Williams, Chris, EMNRD; Kautz, Paul, EMNRD
Subject: SWD Application on behalf of Paladin Energy Corp: NM BH State #4 API No. 30-025-00110 Miss perfs + Dev OpenHole

Hello Eddie:
I have reviewed your application and have a few questions:

1) Looks like Paladin bought into this area in 2003. Would you isolate the quadrants of the 1/2 mile AOR Circle around this well and have your landman specifically state who owns the rights from the Wolfcamp to the Silurian (if this is depth split, then only include the Miss and Devonian):
   A) Units M, N, and O of Section 2
   B) Unit P of Section 3
   C) Units A, H, and I of Section 10
   D) The NW/4 of Section 11 and Units B, G, L, and K of Section 11
2) Please ask Paladin to turn into Hobbs district the CNL cased hole neutron log run on this well a few years ago just prior to perforating the Miss, and Penn intervals.
3) Ask Paladin to have a geologist talk a little about the Silurian which occurs to the East of this well and whether it could be present at this location and at what depth.
4) The Atoka is apparently directly above the Miss and was tested by DST directly to the west in the 30-025-23278 well. Considering how old the electric logs are in this area - would the Geologist also talk about this interval and its potential?

5) There is one well in the AOR that should be re-entered and replugged 30-025-00079. The Division can include this provision in the permit. Alternately Paladin could squeeze the tight Miss perfs in the subject well and inject only into the Devonian new open hole interval. Please ask Paladin which it prefers.
   Squeezing perfs is sometimes not successful. We could require the Miss to be squeezed and allow the packer to be set above the Miss but an injection profile log to be run periodically to verify these perfs are not taking fluid.

6) Please talk about how Paladin will evaluate the open hole interval before beginning injection. The Division may require a copy of a mudlog through this interval. Let me know your thoughts on this.

Thank You,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, April 30, 2008 10:54 AM
To: 'seay04@leaco.net'
Cc: Ezeanyim, Richard, EMNRD; Warnell, Terry G, EMNRD; Williams, Chris, EMNRD; Kautz, Paul, EMNRD
Subject: SWD Application on behalf of Paladin Energy Corp: NM BH State #4 API No. 30-025-00110 Miss perfs + Dev OpenHole

Hello Eddie:
I have reviewed your application and have a few questions:

1) Looks like Paladin bought into this area in 2003. Would you isolate the quadrants of the 1/2 mile AOR Circle around this well and have your landman specifically state who owns the rights from the Wolfcamp to the Silurian (if this is depth split, then only include the Miss and Devonian):
   A) Units M, N, and O of Section 2
   B) Unit P of Section 3
   C) Units A, H, and I of Section 10
   D) The NW/4 of Section 11 and Units B, G, L, and K of Section 11
2) Please ask Paladin to turn into Hobbs district the CNL cased hole neutron log run on this well a few years ago just prior to perforating the Miss, and Penn intervals.
3) Ask Paladin to have a geologist talk a little about the Silurian which occurs to the East of this well and whether it could be present at this location and at what depth.
4) The Atoka is apparently directly above the Miss and was tested by DST directly to the west in the 30-025-23278 well. Considering how old the electric logs are in this area - would the Geologist also talk about this interval and its potential?

5) There is one well in the AOR that should be re-entered and replugged 30-025-00079. The Division can include this provision in the permit. Alternately Paladin could squeeze the tight Miss perfs in the subject well and inject only into the Devonian new open hole interval. Please ask Paladin which it prefers.
Squeezing perfs is sometimes not successful. We could require the Miss to be squeezed and allow the packer to be set above the Miss but an injection profile log to be run periodically to verify these perfs are not taking fluid.

6) Please talk about how Paladin will evaluate the open hole interval before beginning injection. The Division may require a copy of a mudlog through this interval. Let me know your thoughts on this.

Thank You,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Injection Permit Checklist 2/8/07

SWD Order Number 1126 Dates: Division Approved ________ District Approved ________

Well Name/Num: NM "BH" State ~~Ncpt~~ #4 Date Spudded: 1953

API Num: (30-) 025-00110 County: Lea

(UNIT D) Footages 990 FNL / 990 FWL Sec 11 Tsp 12S Rge 32E Eddie Seay

Operator Name: Paladin Energy Corp. Contact David Plaisance

Operator Address: 10290 Monroe DR. Suite 301, Dallas TX 75229

Current Status of Well: ________ Planned Work: ________ Inj. Tubing Size: 2 7/8

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	17 1/2 13 3/8	355	350	CIRC
Intermediate	11 8 5/8	3635	2300	CIRC
Production	7 7/8 5 1/2	11215	400	8350' CALC. or TS ?
Last DV Tool				
Open Hole/Liner	New TD will be 11435			
Plug Back Depth				

Diagrams Included (Y/N): Before Conversion ✓ After Conversion ✓

Checks (Y/N): Well File Reviewed ✓ ELogs in Imaging ✓

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash			
Capitan Reef			
Cliff House, Etc:			
Formation Above	9800	Penn	
Top Inj Interval	~~10577~~ 11,215	~~Miss~~ DEV	
Bottom Inj Interval	11,435	Dev.	
Formation Below	11500	SILURIAN	

SQZ Penn Perfs, Deepen "FROM Paladin's own Operations" (Caprock area)

~~2103~~ 2243 PSI Max. WHIP

Yes ~~Perfs~~ Open Hole (Y/N)

NO Deviated Hole (Y/N)

Fresh Water: Depths: 0 – 160' Wells(Y/N) yes Analysis Included (Y/N): Yes Affirmative Statement ✓

Salt Water Analysis: Injection Zone (Y/N/NA) ____ DispWaters (Y/N/NA) ____ Types: McKee, Dev, SIL, WC

Notice: Newspaper(Y/N) ✓ Surface Owner SLO Mineral Owner(s) ________

Other Affected Parties: ________

AOR/Repairs: NumActiveWells 6 Repairs? ____ Producing in Injection Interval in AOR ____

AOR Num of P&A Wells 4 Repairs? ____ Diagrams Included? ____ RBDMS Updated (Y/N) ✓

Well Table Adequate (Y/N) Yes AOR STRs: Sec ____ Tsp ____ Rge ____ UIC Form Completed (Y/N) ✓

New AOR Table Filename ________ Sec ____ Tsp ____ Rge ____ This Form completed ✓

Conditions of Approval: Sec ____ Tsp ____ Rge ____ Data Request Sent ✓✓

State EC "D" #2 30-025-00079 RePLUG or inj. Lower

Quadrants ownership Penn – SIL.?

~~Run Inj Survey WITHIN 6 months~~

AOR Required Work: Turn in CNL ~~[illegible]~~

MUDLOG OR LOG when Deepening

Required Work to this Well: ________

(Margin notes: OGRID 164870; Ponds 46 = OK; 1/61 motive; 10577 / 21034 / 11215 / 22430 / ×10; MISS was shot/ACIDIZED in 2003 but was Dry; Strawn was Dry also)

11/25 Sec 10 = NE Caprock ATOKA Gas

9817-9980 = East CAPROCK UPPER Penn Poo (CISCO, Canyon, STRAWN)