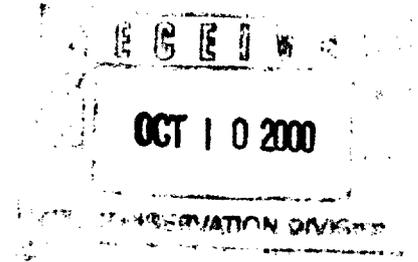


PALADIN ENERGY CORP.

SWD 10/25/00
29342428
790

October 5, 2000

State of New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Application For Authorization To Inject
Paladin Energy Corp.
State 'BB' NCT-1 Well #1
East Caprock Field, Lea County
1989' FSL, 1985' FWL
Sec 11, T12S, R32E

Dear Sir/Madam,

Paladin Energy Corp. is herewith submitting the above referenced application to convert the State 'BB' NCT-1 #1 well to a salt water disposal well in the East Caprock Devonian Formation. Paladin is in need of additional salt water disposal capacity in the East Caprock field due to the successful re-completion of two of its Devonian producing wells, with high volume submersible pumps. The results of these workovers has been an increase in fieldwide oil and water production. Therefore, additional salt water disposal capacity will greatly improve our overall saltwater handling capabilities in the field and also facilitate further re-completions and increases in oil production.

Therefore for your consideration please find enclosed the following: a) Form C-103, to convert well to SWD, b.) Form C-108 and all necessary attachments and "proofs of notice" required for administrative approval.

If you have any questions or need further information, please call David Plaisance at 214-352-5245, Ext. 8. Thank you.

Handwritten signature/initials

Sincerely,

David Plaisance
Production Manager

Cc Oil Conservation District
Hobbs Division

Cc State of New Mexico
Commissioner of Public Lands

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No

II. OPERATOR: Paladin Energy Corp.

ADDRESS: 10290 Monroe Dr., Suit 301, Dallas, Texas 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: David Plaisance TITLE: PRODUCTION Manager

SIGNATURE: David Plaisance DATE: 10/05/00

* 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: _____

P 003 067 800

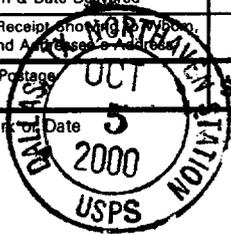


Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
State of New Mexico	
Street and No.	
P.O. Box 1148	
P.O., State and ZIP Code	
Santa Fe, NM 87504-1148	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Address	
TOTAL Postage & Fees	2.39
Postmark or Date	OCT 5 2000

PS Form 3800, June 1991



P 003 067 801

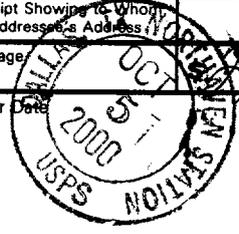


Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
K.C. Resources, Inc.	
Street and No.	
224 BIRMINGHAM, #1A	
P.O., State and ZIP Code	
CARDIFF, CALIF. 92007	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Address	
TOTAL Postage & Fees	39
Postmark or Date	OCT 5 2000

PS Form 3800, June 1991



INJECTION WELL DATA SHEET

PALADIN ENERGY CORP.

OPERATOR: _____

WELL NAME & NUMBER: NEW MEXICO STATE 'BB' NCT-1 Well No. 1

WELL LOCATION: 1989' FSL, 1985' FML K 11 12-S 32-E

FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 11" Casing Size: 8-5/8"

Cemented with: 2400 sx. or _____ ft³

Top of Cement: Surface Method Determined: Circ.

Intermediate Casing

Hole Size: _____ Casing Size: _____

Cemented with: _____ sx. or _____ ft³

Top of Cement: _____ Method Determined: _____

Production Casing

Hole Size: 7-3/4" Casing Size: 5-1/2"

Cemented with: 400 sx. or _____ ft³

Top of Cement: 7,600' Method Determined: Logged

Total Depth: 11,225'

Injection Interval
11,132' feet to 11,192' Perforated

(Perforated or Open Hole: indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2", 9.3# N-80 Lining Material: IC0 505 Plastic Coating

Type of Packer: Weatherford Arrow Set Packer - Plastic Coated

Packer Setting Depth: 11,030'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes x No

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

2. Name of the Injection Formation: Devonian

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

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. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: East Caprock W01fcamp - 8,500' (+,-)

VII. PROPOSED OPERATIONS

- A. 1.) Injection Rate: Maximum 10,000 BWPD
Average 7,500 BWPD
- 2.) Injection System
Closed
- 3.) Injection Pressure: Maximum 1000 psi
Average: expect to be on vacuum
- 4.) Injection Fluid: Devonian and Wolfcamp Formation Produced Water
(see enclosed analysis)
- 5.) Devonian Formation is productive in field.

VIII. INJECTION ZONE

- 1.) Devonian Formation
- 2.) Dolomite
- 3.) Thickness: 90' - penetration in this wellbore.
- 4.) Depth: 11,134' to 11,225'
- 5.) Aquifers 300' (+,-)

IX. Stimulation

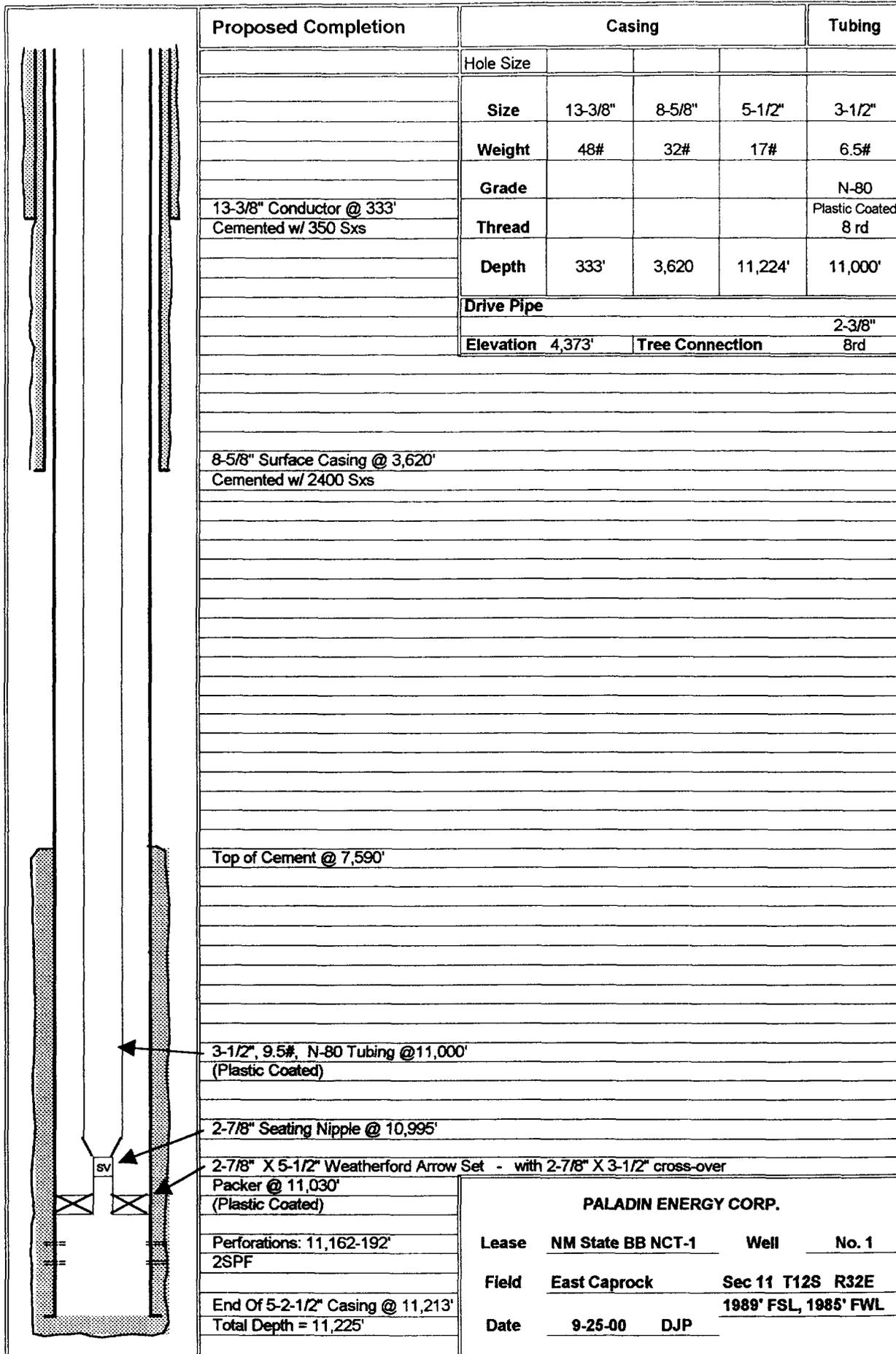
- 1.) Acidize w/+, - 3000 gals 15% NE HCL

XII. Paladin Energy Corp. has examined the available geologic and engineering information for the area if interest and have found no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

David Harrison
Signature

Production Manager
Title

10/05/00
Date



Proposed Completion	Casing			Tubing	
	Hole Size				
	Size	13-3/8"	8-5/8"	5-1/2"	3-1/2"
	Weight	48#	32#	17#	6.5#
	Grade				N-80
13-3/8" Conductor @ 333' Cemented w/ 350 Sxs	Thread				Plastic Coated 8 rd
	Depth	333'	3,620'	11,224'	11,000'
Drive Pipe					
					2-3/8"
	Elevation	4,373'	Tree Connection		8rd

8-5/8" Surface Casing @ 3,620'
Cemented w/ 2400 Sxs

Top of Cement @ 7,590'

3-1/2", 9.5#, N-80 Tubing @ 11,000'
(Plastic Coated)

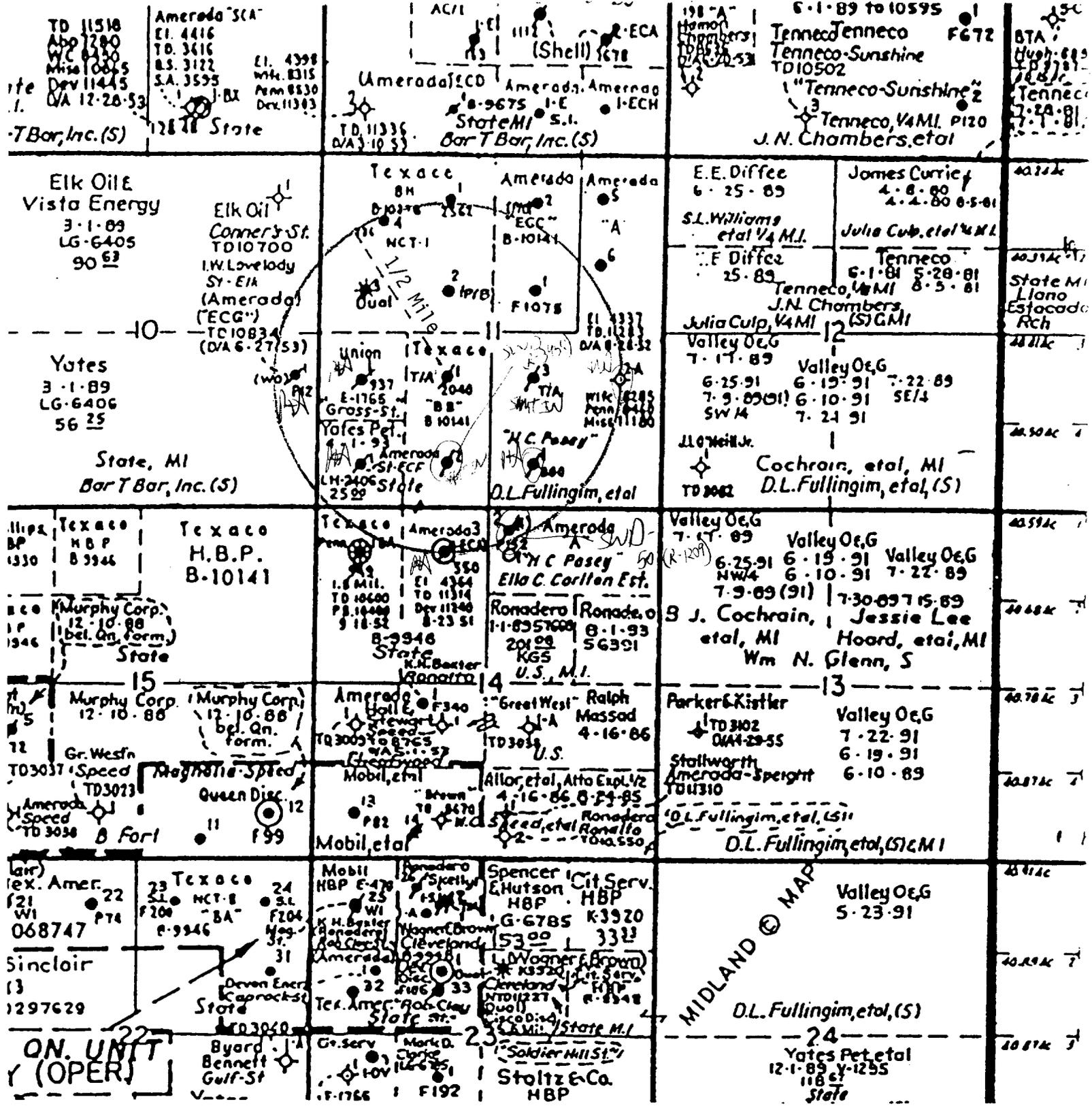
2-7/8" Seating Nipple @ 10,995'

2-7/8" X 5-1/2" Weatherford Arrow Set - with 2-7/8" X 3-1/2" cross-over
Packer @ 11,030'
(Plastic Coated)

Perforations: 11,162-192'
2SPF

End Of 5-2-1/2" Casing @ 11,213'
Total Depth = 11,225'

PALADIN ENERGY CORP.			
Lease	NM State BB NCT-1	Well	No. 1
Field	East Caprock	Sec 11 T12S R32E	1989' FSL, 1985' FWL
Date	9-25-00	DJP	



V. PALADIN ENERGY CORP.
 AREA OF REVIEW MAP
 APPLICATION FOR AUTHORIZATION TO INJECT

NEW MEXICO STATE "BB" NCT-1 Well No. 1
 One Half Mile Radius Circle
 Sec 11 T12S R32E

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-10
 Revised October 18, 199
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-00109		Pool Code	Pool Name East Caprock Devonian
Property Code 26437	Property Name New Mexico State 'BB' NCT-1		Well Number 1
OGRID No. 164070	Operator Name Paladin Energy Corp.		Elevation 4373'

¹⁰ Surface Location

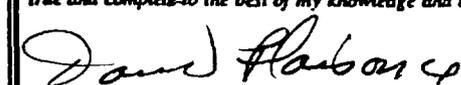
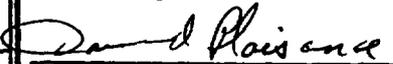
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	11	12S	32E		1989'	South	1985	West	Lea

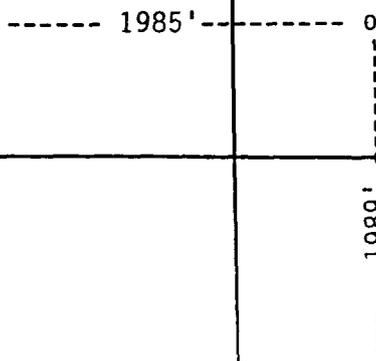
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

16				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>   Signature David Plaisance Printed Name Production Manager Title 10/05/00 Date
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyer Certificate Number



VI
WELL WITHIN THE AREA OF REVIEW
WHICH PENETRATE THE PROPOSED INJECTION ZONE
CAPROCK, EAST (DEVONIAN)
SEC's 10,11,14, T12s-R32E
LEA COUNTY, NEW MEXICO

API Nbr: 30025000990000 State: NEW MEXICO County: LEA
Oper: AMERADA HESS CORP Oper Code: 000966
Well: 1 Lease: STATE ECG
AAPG Prov: PERMIAN BASIN Prov Code: 430
Field: CAPROCK EAST Field Code: 008270
District: 01
Meridian: NEW MEXICO 1855 Meridian Code: 23
Twp: 12.0S Rng: 32.0E SEC: 10.0 Spot:
Footages: 1980FSL 330FEL CONGRESS SECTION
Source: TBNAD27 Lat: 33.29148 Long: -103.69778

Contr: Tools: ROTARY Rig Nbr:
Oper Elev: 4415DF Rig Ht: Rig Release:

Drlr Depth: 10834 FT TVD: Form @ TD:

Spud Date: 04/26/1953 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 06/27/1953 Last Update: 06/10/2000 TD Reached:
Final Status: D&A Pool:
Initial Well Class: DEVELOPMENT WELL
Final Well Class: DEVELOPMENT WELL-DRY (INCLUDING TEMPORARILY ABANDONED WELL)

(Casing)

Size	Depth	Cement	
13 3/8 IN	329 FT	325 SACK	ARC, CALC.
8 5/8 IN	3655 FT	1500 SACK	653' CALC.

API Nbr: 30025080070000 State: NEW MEXICO County: LEA
Oper: TEXACO INCORPORATED Oper Code: 033095
Well: 1 Lease: STATE BH
AAPG Prov: PERMIAN BASIN Prov Code: 430
Field: CAPROCK EAST Field Code: 008270
District: 01
Meridian: NEW MEXICO 1855 Meridian Code: 23
Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
Footages: 660FNL 1980FWL CONGRESS SECTION
Source: TBNAD27 Lat: 33.29875 Long: -103.69027

Contr: Tools: ROTARY Rig Nbr:
Oper Elev: 4371ES Rig Ht: Rig Release:

Drlr Depth: 11220 FT TVD: Form @ TD: DEVONIAN
Log TD: PB Depth: 11218 FT Form Age @ TD: DEVONIAN U

Spud Date: 03/22/1952 Date Well Added: 08/01/1973 Abnd Date:
Comp Date: 07/29/1952 Last Update: 06/10/2000 TD Reached:

Final Status: OIL Pool:
Initial Well Class: DEVELOPMENT WELL
Final Well Class: DEVELOPMENT WELL-OIL
(Casing)

Size	Depth	Cement
13 3/8 IN	346 FT	350 SACK
8 5/8 IN	3605 FT	2300 SACK
5 1/2 IN	11220 FT	400 SACK

788' ALL

API Nbr: 30025000970000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 1 Lease: HC POSEY A
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 660FSL 1980FEL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.28745 Long: -103.68529

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4350DF Rig Ht: Rig Release:
 Drlr Depth: 11230 FT TVD:
 Log TD: PB Depth: Form @ TD: DEVONIAN
 Form Age @ TD: DEVONIAN U

PSA

Spud Date: 01/09/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 04/25/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3610 FT	1500 SACK
5 1/2 IN	11160 FT	600 SACK

*ALL ALL
608' ALL
812' ALL*

ILLEGIBLE

API Nbr: 30025000980000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 2 Lease: HC POSEY A
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FSL 660FEL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29118 Long: -103.68102

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4337DF Rig Ht: Rig Release:
 Drlr Depth: 11283 FT TVD:
 Form @ TD:

PSA

Spud Date: 05/13/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 08/28/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: D&A Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-DRY (INCLUDING TEMPORARILY ABANDONED WELL)

(Casing)

Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3615 FT	1500 SACK

API Nbr: 30025001000000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 3 Lease: HC POSEY A
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FSL 1980FEL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29087 Long: -103.68559

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4357ES Rig Ht: Rig Release:
 Drlr Depth: 11237 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 08/27/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 12/07/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 Prod Formation: DEVONIAN

(Casing)

Size	Depth	Cement
13 3/8 IN	301 FT	225 SACK
8 5/8 IN	3590 FT	1500 SACK
5 1/2 IN	11147 FT	600 SACK

API Nbr: 30025001060000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
 Well: 1 Lease: STATE ECF
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 660FSL 660FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.28793 Long: -103.69456
 Contr: Tools: ROTARY Rig Nbr:

Oper Elev: 4389ES Rig Ht: Rig Release:

Drlr Depth: 11302 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 02/05/1953 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 04/23/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	297 FT	225 SACK
8 5/8 IN	3610 FT	1500 SACK
5 1/2 IN	11270 FT	700 SACK

API Nbr: 30025001070000 State: NEW MEXICO County: LEA
 Oper: UNION OIL CO OF CAL Oper Code: 034551
Well: 1 Lease: GROSS STATE
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FSL 660FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29107 Long: -103.69392

PA

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4341GR Rig Ht: Rig Release:

Drlr Depth: 11295 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 06/30/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 10/31/1952 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 Prod Formation: DEVONIAN

PA

(Casing)

Size	Depth	Cement
11 3/4 IN	323 FT	250 SACK
8 5/8 IN	3620 FT	1500 SACK
5 1/2 IN	11278 FT	150 SACK

17516' TOC 9110' TS

API Nbr: 30025001080000 State: NEW MEXICO County: LEA
 Oper: TEXACO INCORPORATED Oper Code: 033095
 Well: 3 Lease: STATE OF N M BH NCT
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 1980FNL 663FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29507 Long: -103.69417

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4392DF Rig Ht: Rig Release:
 Drlr Depth: 11272 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: 11270 FT Form Age @ TD: DEVONIAN U
 Spud Date: 12/13/1952 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 04/10/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL
 Prod Formation: DEVONIAN

(Casing)

Size	Depth	Cement
13 3/8 IN	333 FT	350 SACK
8 5/8 IN	3589 FT	2300 SACK
5 1/2 IN	11272 FT	500 SACK

API Nbr: 30025001100000 State: NEW MEXICO County: LEA
 Oper: TEXACO INCORPORATED Oper Code: 033095
 Well: 4 Lease: STATE OF N MEH NCT1
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 11.0 Spot:
 Footages: 990FNL 990FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.29756 Long: -103.69370

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4385DF Rig Ht: Rig Release:
 Drlr Depth: 11235 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: Form Age @ TD: DEVONIAN U
 Spud Date: 03/18/1953 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 08/20/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	335 FT	350 SACK
8 5/8 IN	3635 FT	2300 SACK
5 1/2 IN	11215 FT	400 SACK

API Nbr: 30025001130000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
Well: 4 Lease: HG POSEY A
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 14.0 Spot:
 Footages: 330FNL 2310FEL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.28517 Long: -103.68651

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4354DF Rig Ht: Rig Release:
 Drlr Depth: 11255 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: Form Age @ TD: DEVONIAN U

Spud Date: 03/17/1953 Date Well Added: 08/01/1973 Abnd Date:
 Comp Date: 06/19/1953 Last Update: 06/10/2000 TD Reached:
 Final Status: OIL Pool:
 Initial Well Class: DEVELOPMENT WELL
 Final Well Class: DEVELOPMENT WELL-OIL

(Casing)

Size	Depth	Cement
13 3/8 IN	299 FT	225 SACK
8 5/8 IN	3615 FT	1500 SACK
5 1/2 IN	11205 FT	600 SACK

API Nbr: 30025001150000 State: NEW MEXICO County: LEA
 Oper: AMERADA HESS CORP Oper Code: 000966
Well: 1 Lease: STATE ECA
 AAPG Prov: PERMIAN BASIN Prov Code: 430
 Field: CAPROCK EAST Field Code: 008270
 District: 01
 Meridian: NEW MEXICO 1855 Meridian Code: 23
 Twp: 12.0S Rng: 32.0E SEC: 14.0 Spot:
 Footages: 660FNL 1980FWL CONGRESS SECTION
 Source: TBNAD27 Lat: 33.28362 Long: -103.69034

Contr: Tools: ROTARY Rig Nbr:
 Oper Elev: 4364DF Rig Ht: Rig Release:
 Drlr Depth: 11314 FT TVD: Form @ TD: DEVONIAN
 Log TD: PB Depth: 11290 FT Form Age @ TD: DEVONIAN U

Spud Date: 05/05/1951 Date Well Added: 08/01/1973 Abnd Date:

Comp Date: 08/31/1951 Last Update: 06/10/2000 TD Reached:
Final Status: OIL Pool:
Initial Well Class: NEW FIELD WILDCAT
Final Well Class: NEW FIELD WILDCAT-DISCOVERY

(Casing)

Size	Depth	Cement
13 3/8 IN	296 FT	225 SACK
8 5/8 IN	3662 FT	1500 SACK
5 1/2 IN	11314 FT	600 SACK

STATE OF NEW MEXICO

Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

Submit 3 Copies
to Appropriate
District Office

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 888210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30.025-00109
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1041
7. Lease Name or Unit Agreement Name NM 'BB' NCT-1
8. Well No. 1
9. Pool name or Wildcat E. Caprock Devonian

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 GAS WELL OTHER SWD

2. Name of Operator: Paladin Energy Corp.

3. Address of Operator: 10290 Monroe Dr., Ste. Ste 301, Dallas, TX 75229

4 Well Location
Unit Letter N : 1989 Feet From The South Line and 1985 Feet from The West Line
Section 11 Township 12-S Range 32-E NMPM Lea County
Elevation 4373' DF (Show whether DF, RKB, RT, GR, etc)

Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTRG CSG <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRLG OPNS. <input type="checkbox"/>	P&A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CSG TST & CMT JOB <input type="checkbox"/>	
OTHER <input type="checkbox"/> Convert to Salt Water Disposal Well		OTHER <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103

Move on location, rig up. GIH w/ 4-1/2" bit and drill out bottom of 5-1/2" casing @ 11,225'.
Drill 100 feet of open hole in Devonian Formation to 11,325' (+,-). POOH w/ drill bit. Rig up E-line, GIH with 4-1/2" Hollow Carrier perforating guns and perforate from 11,134-11,204', rig down e-line.
GIH with 5-1/2" packer and work string and set packer at 11,000'. Rig up and pump 3500 gallons of 15% HCl acid and perform ball sealer acid job. POOH with work string.

Run 5-12" Weatherford Arrow Set, plastic coated Packer w/ 11,000 3-1/2" 9.3#, N-80, plastic coated tubing.
Set packer @ 11,000' (+,-). Perform casing integrity test. Nipple up tree. Rig down & MOL.

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

SIGNATURE David Plaisance TITLE _____ DATE 10/05/00
214-654-0132

TYPE OR PRINT NAME David Plaisance, Production Manager TELEPHONE NO. _____

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1452
Order No. R-1209

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR THE DUAL COMPLETION
OF A WELL TO PRODUCE OIL FROM THE
PENNSYLVANIAN FORMATION ADJACENT TO
THE EAST CAPROCK PENNSYLVANIAN POOL,
LEA COUNTY, NEW MEXICO, AND TO PERMIT
THE INJECTION OF SALT WATER THROUGH
THE CASING-TUBING ANNULUS INTO THE
DEVONIAN FORMATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 20th day of June, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Amerada Petroleum Corporation, is the owner and operator of the H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, and that said well is now depleted in the Devonian formation and that the applicant proposes to recomplete the well in the Pennsylvanian formation adjacent to the East Caprock-Pennsylvanian Pool.
- (3) That the applicant proposes to dually complete the said H. C. Posey "A" Well No. 4 in such a manner as to permit the disposal of salt water in the Devonian formation below the water-oil contact, with the salt water being injected down the casing-tubing annulus to the upper packer, through 2 1/2-inch tubing between the upper and the

lower packer, thence down 5 1/2-inch casing below the lower packer to the disposal interval.

(4) That the applicant failed to prove that by use of the proposed mechanical installation the Pennsylvanian formation can be effectively isolated from the injected salt water.

(5) That the invasion of salt water into the Pennsylvanian formation would cause waste.

(6) That the application for dual completion of the said H. C. Posey "A" No. 4 Well should be denied.

(7) That the disposal of salt water into the Devonian formation below the water-oil contact will not cause waste provided the said H. C. Posey "A" No. 4 Well is not open to the Pennsylvanian formation.

(8) That the applicant should be permitted to utilize the said H. C. Posey "A" No. 4 Well as a salt water disposal well in the Devonian formation below the water-oil contact.

IT IS THEREFORE ORDERED:

1. That the application of Amerda Petroleum Corporation for permission to dually complete its H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Pennsylvanian formation adjacent to the East Caprock-Pennsylvanian Pool through 2-inch tubing and to permit the injection of salt water below the water-oil contact in the Devonian formation through the casing-tubing annulus to the upper packer, through 2 1/2-inch tubing between the upper and, the lower packer, thence down 5 1/2-inch casing below the lower packer to the disposal interval, be and the same is hereby denied.

2. That the applicant, Amerada Petroleum Corporation, be and the same is hereby granted permission to utilize the said H. C. Posey "A" Well No. 4 as a salt water disposal well by injecting the salt water into the Devonian formation below the water-oil contact, provided said well is not open to the Pennsylvanian formation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4343
Order No. R-3954

APPLICATION OF TEXACO INC.
FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 29, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of May, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Texaco Inc., is the owner and
operator of the New Mexico "BB" State (NCT-1) Well No. 2, located
in Unit N of Section 11, Township 12 South, Range 32 East, NMPM,
East Caprock-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Devonian formation, with
injection into the perforated and open-hole interval from approxi-
mately 11,194 feet to 11,278 feet.

(4) That the injection should be accomplished through
2 7/8-inch plastic-lined tubing installed in a packer set at
approximately 9000 feet; that the casing-tubing annulus should
be filled with an inert fluid; and that a pressure gauge should

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to utilize its New Mexico "BB" State (NCT-1) Well No. 2, located in Unit N of Section 11, Township 12 South, Range 32 East, NMPM, East Caprock-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 9000 feet, with injection into the perforated and open-hole interval from approximately 11,194 feet to 11,278 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L