

HOBBS OGD

APR 09 2012

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-04335

40335

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

East Caprock SWD

8. Well Number 5

9. OGRID Number

164070

10. Pool name or Wildcat

SWD; Devonian (96101)

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 SWD

2. Name of Operator

Paladin Energy Corp.

3. Address of Operator

10290 Monroe Drive, Suite 301, Dallas TX 75229

4. Well Location

Unit Letter B : 930 feet from the North line and 2290 feet from the East line

Section 14 Township 12-S Range 32-E NMPM Lea County

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

4,356

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL. ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☒ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

03/05/12 - Spud In - Drill 17.5 Surface Hole from 40' to 211'.

03/06/12 - RU Casing crew, ran 13.375" 48# J-55 STC casing to 420' - tagged bottom -establish circ - RD casing crew, circ 2 btms up w/rig pump. Test line to 2000 psi. pmpd 30 bbl spacer w/dye. Mix & pump 50 bbls. 13.5 ppg, lead @ 60 bbls of 14.8 tail, washed up on top of plug and displaced w/60 bbl of mud, slowed pump rate the last 10 bbls & bumped plug to 500 psi over=900 psi. Held pressure 5 min. Waiting on Cement.

Spud Date:

03/05/12

Rig Release Date:

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

SIGNATURE

TITLE Manager, Corporate Support

DATE 04/04/12

Type or print name Ann Westberry

E-mail address: awestberry@paladinenergy.com

PHONE: 214-654-0132 X4

For State Use Only

APPROVED BY:

TITLE

STATE MANAGER

DATE

4-9-2012

Conditions of Approval (if any):

APR 10 2012