

Submit 1 Copy 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-00103
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name HC Posey A
8. Well Number 6
9. OGRID Number 16470
10. Pool name or Wildcat Caprock Wolfcamp, East

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 H : 1650' feet from the North line and 990' feet from the East line
 Section 11 Township 12-S Range 32-E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4349' DR

12. 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"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

R/U, run in hole with tubing and packer. Set Packer at 5150', pump cement through liner and fill perforations from 8,730' - 8,790'. Fill 5-1/2" casing and 4" liner (top of liner at 5,252'), and bring cement top to 5,150' (+,-). Pull up with tubing and packer, WOC. Go back down and tag cement. If cement top is not at 5,150', pump additional cement to assure top of cement is at 5,150'. Verify cement top. R/U pumping unit. Fill Casing with packer fluid, test 5-1/2" casing above cement plug to 500# for 30 minutes. Record chart. T&A.

Spud Date:

Rig Release Date:

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

SIGNATURE Mickey Horn TITLE Operations Manager DATE 10-19-10
 Mickey Horn paladinmid@suddenlink.net 432-634-6599

Type or print name _____ E-mail address: _____ PHONE: _____

For State Use Only
 APPROVED BY: [Signature] TITLE STAFF MGR DATE 10-21-10
 Conditions of Approval (if any): _____

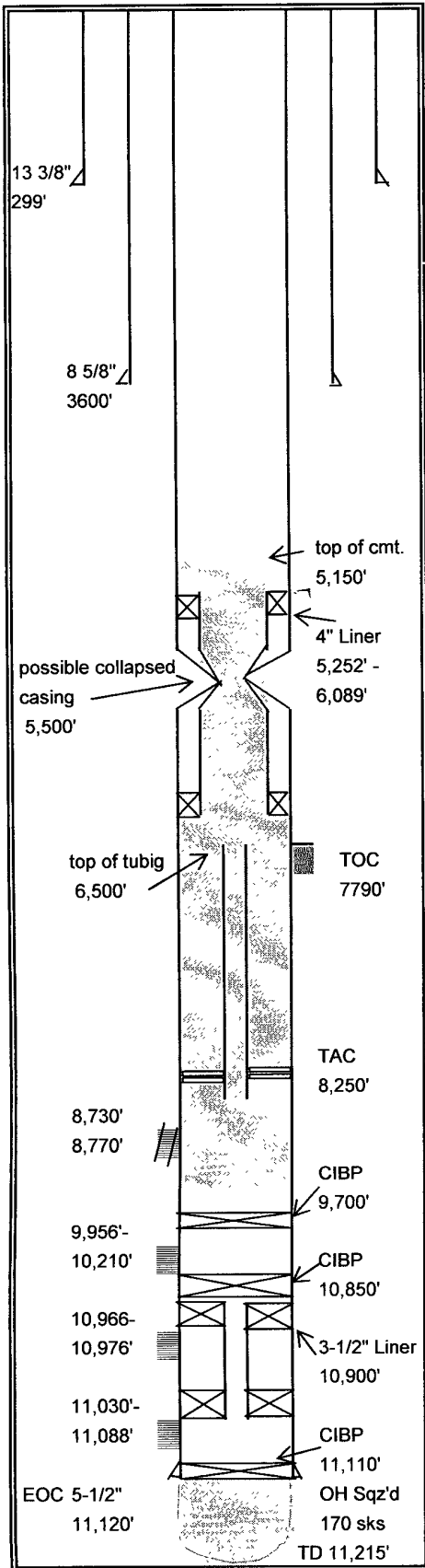
Lease: H.C. Posey A **Well:** #6 API # 30-025-00103
 Field: East Caprock County: Lea State New Mexico
 Section 11 Township 12-S Range 32-E
 Elev. GL 4336' Elev. DF 4349' Elev. KB 4350'
 Spudded 12/5/1953 Completed 2/23/1954 1650 FNL, 990 FEL

Surface Casing	13 3/8" OD	36#/Ft.	Grade	Armco SJ, SW
	Set @	299'	Hole Size	17 1/2"
	TOC	Sur	Sacks	225 - Cir.
Intermediate Casing	8 5/8" OD	24 & 32#/Ft.	Grade	J-55
	Set @	3600'	Hole Size	12 1/4", 11"
	TOC	cir	Sacks	1,500
Production Casing	5-1/2"	17 & 20#/Ft.	Grade	J-55, N-80
	Set @	11,120'	Hole Size	7-7/8"
	TOC	7790'	Sacks	600
Liner Record	OD	#/Ft.	Grade	
	Top @		Bottom @	
	Screen		Hole Size	
	TOC		Sacks	
Tubing Detail			Grade/Trd.	
	Pkr Set @		EOT	
	Nipples			
	Anchors		Rods	
Perforation Record	11,120-215' O.H. squeezed 170 sks.			
	11,030-11,088'			
	10,966-976' (isolated with 3-12" liner)			
Current Perfs.	9,956-90', 10,010-40', 10185-210'			
	8,730-70'			

Remarks:

Possible collapsed casing and 4" scab liner at about 5,500'
 Tubing at approximately 6,500'.

Comments:



PROPOSED T & A

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ DATE(S) 10/20/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, POW and LD retrieving head, b. sub, jars, 6 DC's, xovers. PU muleshoe cutoff 2-3/8" tbg PU 2-3/8" tbg from ground, Run rest of 2-3/8" in derrick, run 2-7/8" tag up inside liner, tag up and sticking, POW muleshoe is mashed casing is collapsed on 4-1/2" liner. LD enough 2-7/8" tbg from derrick to leave tbg at 5500'. RIW w/rods POW and LD rods, got 71 1" rods, 65 3/4" rods SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	1,050	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	6,350
		CUMULATIVE COST	186,101

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/19/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, finish RIW tag up on rods work to get a bite pull up w/a lot of drag, Pulled 6 stds lost load. Run back in and rods have fell below liner top. POW LD fishing tool, PU liner retrieving tool,RIW and latch up on liner. Start to pull liner by going through release motions but didn't release. Start jarring and trying to knock liner down jarred 2 hours but unable to pull liner. Release from on/off tool on liner, pull and LD 1 jt of 2-7/8" tbg. SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,982	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC	
OTHER <u>spooler</u>		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	7,882
		CUMULATIVE COST	179,751

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/18/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well RIW w/left hand auger fishing tool, tag up on top of rods, work up and down get bite, POW and LD 18 rods 450'. Riw w/left hand auger fishing tool, tag up on top of rods, work up and down, get bite, POW and LD 23 rods 575'. RIW w/DC's and SWI SDFN recovered 1,025' rods today

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,982	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	8,282
		CUMULATIVE COST	171,869

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/15/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull

WORK SUMMARY

Open well, finish RIW tag up on fish w/left turn auger fishing tool, catch hold of fish work to retrieve rods. Catch hold of rods POW w/drag, pull to surface and hang up in BOP. ND BOP PU/rods, dropped out of tool went downhole. RIW w/5 stds catch rods, POW and LD 34 3/4" rods. RIW w/left hand auger tool, tag up on rods work to get catch rods, POW w/rods LD 24 rods SWI SDFN LD total of 1,375' today

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,150	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,200	METERS, LACT, ETC.	
OTHER <u>spooler</u>		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	8,250
		CUMULATIVE COST	163,587

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/14/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull

WORK SUMMARY

Open well, PU 1 jt 2-7/8" tbg for tailpipe, 5-1/2" Model R pkr, jars, DC's tbg RIW tag up on top of rods, stand back 1 std set pkr at 4056' w/15K compression. Load backside w/20 bbls of fresh wtr w/pump trk, press to 500# ok. Tie pump truck to tbg load w/14 bbls pumped 70 bbls from 2 BPM down to 1/2 BPM @1K. Bled off pressure, PU and release pkr. POW LD pkr, PU overshot w/Clulow socket RIW unable to catch fish. POW LD overshot PU left hand turn auger fishing tool, RIW w/b.sub, jars, DC's SWI SDFN top of fish 4925'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	4,167	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION	1,100	TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER <u>spooler</u>		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	10,167
		CUMULATIVE COST	155,337

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ DATE(S) 10/13/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

POW LD overshoot, slips in Clulow socket bad, call for another slip. PU overshoot/Clulow socket RIW and tag up on fish attempt to get bite. Pull up and have a little extra wt on indicator. POW no fish , LD overshoot and Clulow slips bad, SWI SDFN

top of fish 4925'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	3,872	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	8,165
		CUMULATIVE COST	145,179

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/12/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull

WORK SUMMARY

Open well, PU left hand auger fishing tool, RIW w/BHA, tag up on fish work to get a bite on rods and pull up and get drag, POW and LD 20' of rod. Have a pin looking up, PU a 4-5/8" overshot/Clulow socket. RIW w/BHA and tag up on fish got latched onto rods, try to back off unable to do so it appears that the whole string is spinning. Have a 8 to 10K drag POW and got to 1575 from surface and something hanging up at the bottom of the rods. Work to get pulled through and lost the hold on the rods. POW and have all of the fishing tool intact. SWI SDFN top of fish 4925'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	3,210	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	8,510
		CUMULATIVE COST	137,017

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/11/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull

WORK SUMMARY _____

Open well, PU 4-5/8" swedge ran to close to top of fish. Didn't feel anything though the tight places. POW LD swedge. PU 4-11/16" overshot w/Clulow socket. Tag up at 1536' try to rotate overshot through but unable to do so. POW LD overshot, PU left turn auger fishing tool. RIW tag up on fish and work to get a bite. Pull up and slip off several times. Pull up with drag and POW LD about 4' of 3/4" rod. SWI SDFN

top of fish 4900'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	4,171	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	spooler	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	9,471
		CUMULATIVE COST	128,507

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/8/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

LD 4-7/8" swedge, open well PU 4-1/2" swedge, b. sub, jars, DC's accelerator RIW down close to top of fish. POW LD 4-1/2" swedge, accelerator sub. PU overshot w/Clulow socket, RIW and tag up at 1536' try to drive down hitting solid stuck and took 24K to pull out of tight spot. POW LD overshot. SWI SDFN

top of fish 4900'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,250	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	4,662	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	8,912
		CUMULATIVE COST	119,036

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/7/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Pipe string still had 110K tension in slips. Start jarring on string. Back off collars and LD jars and accelerator sub.
 RIW try to backoff bumper sub. Try several times and unable to back it off. RU WL truck RIW and shot string shot
 at bumper sub w/back off torque and backed off of bumper sub. LD bumper sub. ND BOP RU casing jacks and pull
 stuck swedge. LD 1 collar and stand back stand of DC w/swedge. NU BOP and SWI SDFN

top of fish 4900'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	4,333	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING	7,600	ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	spooler	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	22,733
		CUMULATIVE COST	110,124

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/6/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, RIW w/O.S. and tbg. Ran 46 jts and tool stopped can't get deeper.. POW LD overshot, PU 4-3/4" swage, b. sub RIW tight on fist csg collar, and stuck in 2nd collar down. Start jarring and jar till it gave up. Back off and pull jars and leave b.sub. PU another set of jars and accelerator sub, RIW and screw back into b.sub. Start jarring and unable to jar loose. Pull up 140K and leave in slips. SWI SDFN

top of fish 4900'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	7,982	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	12,882
		CUMULATIVE COST	87,391

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/5/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, work to get spear into rods, got a bite, POW dragging. Got out w/22' of rod w/3/4" pin looking up on top of fish. LD spear, PU overshoot w/Clulow socket to go over 3/4" rod pin! RIW on tbg and rig broke down. SWI SDFN

top of fish 4900'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	2,275	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	1,850	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	5,125
		CUMULATIVE COST	74,509

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ DATE(S) 6 10/4/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, RIW w/1 std , PU LD 1 jt. RU hot oiler to tbg for water. RU WL truck RIW and tag up PU and cut tbg at 4715' PU and establish tbg cut, POW w/WL tools RD WL truck. POW w/tbg, LD cut jt. PU overshot for 2-7/8" body bumper sub, jars, 6 3-1/2" DC's, RIW and tag up on top of tbg fish latch on and start jarring up out of hole. Had to jar several times to get past csg collar. Got out of hold w/2 short pieces of bend up rod. Run back in hole w/spear (pig sticker) and tag up on fish. SWI SDFN top of fish 4878'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	4,650	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING	3,160	ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	13,110
		CUMULATIVE COST	69,384

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 10/1/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well finish POW , No fish LD right hand auger tool. PU spear(pig sticker tool) RIW w/tbg sting into and work to get a bite and pull up hang on casing collar, work up through 2 collars and hung up on 3rd collar up. Work down but can't pull up through tight collar. Call for wireline to cut tbg for Monday. SWI SDFN

top of fish 4875'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	2,600	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	1,850	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR & SUPERVISION	1,000	METERS, LACT, ETC	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	5,450
		CUMULATIVE COST	56,274

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/30/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well PU spear (pig sticker) RIW tag up on fish work down into top of rods work to get a bite to pull rods in two pull up w/1 to 2K pull. LD 14' of 3/4" rod. Look at end of rod looking up and decide to run right turn auger, RIW and tag upon fish work to get a bite and pulled and parted rod, POW and LD 8' of straight rod and about 4' folded up. RIW w/right turn auger tool and work to get a bite on fish. Pull up and have a piece, POW 40 stds and SWI SDFN

top of fish 4875'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	1,450	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	6,350
		CUMULATIVE COST	50,824

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/29/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well PU Clulow socket overshot RIW w/tbg and tag up on fish. Try to work onto fish unable to do so, POW
 LD Clulow socket O.S. PU left turn auger fishing tool. RIW and tag up on fish. Work down w/swivel on fish. Toque up
 to left unscrew tbg. Go down tag up and screw back onto tbg. Work down and get bite on fish work up and down
 pull 8K over wt set in slips LD swivel PU off slips and had no extra wt. POW and had 4' piece of rod in auger
 tool. SWI SDFN
 top of fish 4850'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,150	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	7,050
		CUMULATIVE COST	44,474

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/28/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, PU left turn auger fishing tool, RIW tag up on fish work to get a hold pull a slipped off try several times keep slipping off. POW LD left turn auger tool, PU right turn auger fishing tool RIW tag up on fish work tool onto rods start pulling and working rods let go POW and LD 16' of 3/4" rod. RIW w/righ hand turn auger tool tag up on rods start pulling and working rods and let go Pow and had 14" of 3/4" rod tool is bent on bottom. SWI SDFN

top of fish 4836'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,400	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	1,600	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	7,000
		CUMULATIVE COST	30,024

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/27/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, POW w/tbg and had 3' piece of 3/4" rods in a coil. Check slip in Clulow overshoot. RIW w/tbg and O.S.
 work to get over fish, POW and had no fish. LD Clulow overshoot and pick up hooked spear. RIW and attempt to
 work over top of fish. POW and have no fish SWI SDFN

top of fish 4818'

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES	
RIG COST	4,400
EQUIPMENT RENTAL	1,600
LOGGING & PERFORATING	
STIMULATION	
TRUCKING & TRANSPORTATION	
CEMENTING	
COMPLETION FLUIDS	
CONTRACT & COMPANY SERVICES	
MISCELLANEOUS SUPPLIES	
ENGR & SUPERVISION	1,000
OTHER spooler	

TULULARS	
WELLHEAD EQUIPMENT	
SUBSURFACE EQUIPMENT	
ARTIFICIAL LIFT EQUIPMENT	
SUCKER RODS	
TANKS	
PRESSURE VESSELS	
FLOWLINES	
INSTALLATION	
FITINGS, VALVES, ETC.	
METERS, LACT, ETC.	
ELECTRICAL EQUIPMENT	
TOTAL DAILY COST	7,000
CUMULATIVE COST	30,024

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

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PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/24/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, LD 2 jts 2-7/8" tbg LD overshot w/rods. LD 16 rods and piece. Change slip in overshot Kulow socket to grab 3/4" rod. RIW tag up on fish pull and slipped off, POW and change out slips for 3/4" box and RIW w/overshot tag up on fish pull, rod parted POW and LD 15' of rod. Change out slip RIW and tag up and latch onto fish. SWI and SDFN

top of fish 4818/

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,400	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,200	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	7,620
		CUMULATIVE COST	23,024

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ DATE(S) 6 9/23/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well finish RIW w/rods tag up and coundn't screw into anything. POW w/rods. POW w/tbg and was just 1 jt above 2-3/8" tbg so 1" rods were stacked out on top of 2-3/8" tbg. RU WL truck RIW w/5-1/2" gauge ring and found top of rods at 4400'. PU 4-11/16" overshot w/kulow type slip and tag up on tbg at 4400' got over full rod and wouldn't go over next rod box. Start to work rods trying to unseat pump from SN. Pull up to 75K and started to move up dragging more , went to 97K and pulled in two , pull out of hole w/tbg to fish leave tbg in BOP SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,400	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	2,200	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING	1,704	ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC	
OTHER spooler		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	9,304
		CUMULATIVE COST	15,404

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE Posey A WELL NO _____ 6 DATE(S) 9/22/2010
 FIELD E. Caprock COUNTY Lea STATE NM
 CONTRACTOR TWS SUPERVISOR Pete Stull
 WORK SUMMARY _____

Move in and rig up pulling unit. LD horse head, LD polished rod, try to unseat pump. Unable to unseat pump. Back off rods, POW w/ 4375' of rods. ND WH and NU BOP rig to pull tbq. Attempt to get off TAC on/off tool and unable to do so. Got a release may be a packer, pull up dragging 4K over string weight. Pull tbq up to where top of rods should be and didn't find top of rods. PU rods and ran in 1675' SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,700	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	400	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER <u>spooler</u>		ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	6,100
		CUMULATIVE COST	6,100

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL