

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
P.O. Drawer DD, Artesia, NM 888210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
2040 Pacheco St.  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address PALADIN ENERGY CORP. 10290 Monroe Drive, Suite 301 Dallas, Texas 75229		2 OGRID Number 164070
		3 API Number 30-025-03134
4 Property Code 22557	5 Property Name South Vacuum Unit 25	6 Well No. 261 +

7 Surface Location

UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
M	26	18-S	35-E		660	South	660	West	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
9 Proposed Pool 1 Wildcat					10 Proposed Pool 2				

~~Vacuum, South Mckee~~

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3876'
16 Multiple No	17 Proposed depth 11,415	18 Formation Wildcat Mississippian	19 Contractor	20 Spud Date 8/10/2004

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks Cement	Estimated TOC
17-1/2	13-3/8	48#	449'	450	Sur
12-1/4	9-5/8	36#	3801'	1350	Sur
8-3/4	5-1/2	20 & 17#	11,755'	688	7750'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Set CIBP at 11,450', dump bail 35' of cement on top to isolate Devonian perforations.

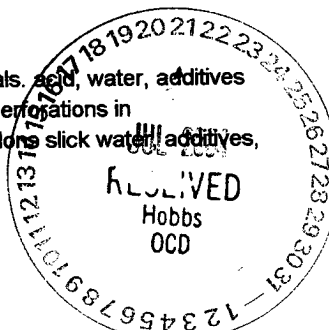
Perforate Mississippian Formation at 10,860-70', 10,910-20'. Perform Acid Fracture job with total of 57,000 gals. acid, water, additives  
Swab back, test and if commercial production established place on production. If not commercial alone, add perforations in  
Mississippian from 10,722-26', 10,741-45', 10,759-63', 10,785-89'. Perform water fracture job with 78,000 gallons slick water, additives,  
24,000 pounds of proppant. Swab back and test and co-mingle with bottom Mississippian perforations.

BOP - 6" Hydraulic Dual Ram (5M), Blind & Pipe

Permit Expires 1 Year From Approval

Date Unless Drilling Underway

Plugback



47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*David J. Plaisance*

Printed name:

David Plaisance

Title:

VP Exploration & Production

Date:

Phone:

214-654-0132

OIL CONSERVATION DIVISION

Approved by:

*Paul J. Ray*

Title:

PETROLEUM ENGINEER

Approval Date:

JUL 22 2004

Expiration Date:

Conditions of Approval:

Attached ☐

District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
811 South First, 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 & Natural Resources Department

Form C-102  
Revised August 15, 2000

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

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-03134	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name Wildcat Mississippian
<sup>4</sup> Property Code	<sup>5</sup> Property Name South Vacuum Unit 26	<sup>6</sup> Well Number + 261
<sup>7</sup> OGRID No. 164070	<sup>8</sup> Operator Name Paladin EnergyCorp.	<sup>9</sup> Elevation 3876'

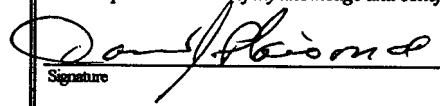
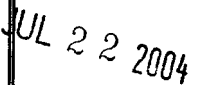
<sup>10</sup> Surface Location

UL or lot no. M	Section 26	Township 18-S	Range 35-E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line West	County Lea
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>16</sup>			<u>Sec 26, T18S, 35E</u>	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature David Plassiance Printed Name VP Exploration & Production Title 7/16/2004 Date
				<sup>18</sup> SURVEYOR CERTIFICATION 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.  Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number
S. Vacuum 26 -1 660 FSL, 660 FWL 