

DISTRICT I

1625 N.Frueh Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Atesia, NM 88210

DISTRICT III

1000 Rio Brazos Road, Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

Form C-101
 May 27, 2004

Submit to Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
 Santa Fe, NM 87505

 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
4 Property Code 22557		3 API Number 30-025-37035
5 Property Name South Vacuum Unit		6 Well No. 265
9 Proposed Pool 1 Vacuum Wildcat McKee (gas) 97368 South		10 Proposed Pool 2

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
L	26	18-S	35-E		1940	South	980	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

Additional Well Information

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3900'
16 Multiple No	17 Proposed depth 14,000'	18 Formation Granite Wash	19 Contractor	20 Spud Date 1/15/2005
Depth to Groundwater: approx 60'		Distance from nearest fresh water well 1/2 mile		
Distance from nearest surface water: 1500 feet (Playa)				
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 14,366 bbls Drilling Method: Fresh Water <input type="checkbox"/> Closed-Loop System <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-Based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

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#	420'	450	Sur
12-1/4"	9-5/8"	40#	3,800'	1300	
8-3/4"	7"	26# & 29#	12,300'	700	7500'
6-1/4"	5"	18#	14,000	250	12,000'

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.

Drill 17-1/2" hole and set 13-3/8" conductor, drill out to 3800' (+,-) and set 9-5/8" surface casing - cement to surface.
 Drill 8-3/4" hole to 12,300' (+,-), set 7" casing and cement with TOC at approx. 7500'.
 Drill 6-1/4" hole from 12,300' to 14,000' (+,-), run open hole logs & cores, set 5" casing liner from 12,000' to 14,000', cement liner.
 Perforate McKee Sand, perform proppant fracture treatment job w/ approximately 180,000 gallons water, acid & additives and 170,000 pounds of proppant. Complete and test well.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

BOP - 11" Hydraulic Dual Ram (10M), Blind & Pipe

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. I further certify that the drill pit will be constructed according NMOCD guideline X, a general permit , Or an (attached) alternative OCD-approved plan

Printed name: David Plaisance

Title: V.P. Exploration & Production

E-mail Address: dplaisance@paladinenergy.com

Date: 1/4/2005

Phone: 214-654-0132

OIL CONSERVATION DIVISION

Approved by:

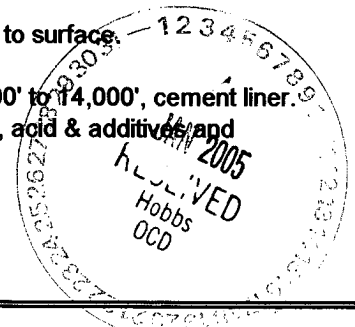
Title:

PETROLEUM ENGINEER

Approval Date: JAN 05 2005

Expiration Date:

Conditions of Approval:

Attached ☐

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37035	Pool Code 97368	Pool Name Vacuum Wildcat McKee
Property Code 22557	Property Name SOUTH VACUUM 26	Well Number 265
OGRID No. 164070	Operator Name PALADIN ENERGY CORPORATION	Elevation 3876'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	26	18-S	35-E		1940	SOUTH	980	WEST	LEA

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
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=625541.2 N X=776919.1 E</p> <p>LAT.=32°42'59.32" N LONG.=103°25'58.71" W</p> <p>980'</p> <p>1940'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>David Plaisance</i> Signature DAVID PLAISANCE Printed Name V.P. Expl. & Prod. Title 1/3/2005 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 7, 2004</p> <p>Date Surveyed Signature & Seal of Professional Surveyor RONALD J. EIDSON 04.11/1605 Certificate No. RONALD J. EIDSON 3239</p>
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