

Submit 3 Copies 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
May 27, 2004

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

WELL API NO. 30-025-37035
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E0-1479-6
7. Lease Name or Unit Agreement Name South Vacuum
8. Well Number 265
9. OGRID Number 164070
10. Pool name or Wildcat Vacuum McKee, South (Gas)

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3876' GR	
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Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type	Depth to Groundwater 60' Distance from nearest fresh water well 1/2 Mile Distance from nearest surface water 1500' (Playa)
Pit Liner Thickness: 12 mil	Below-Grade Tank: Volume 14,366 bbls; Construction Material synthetic

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 Drive, Suite 301 Dallas, TX 75229

4. Well Location

Unit Letter L : 1940 feet from the South line and 980 feet from the West line
Section 26 Township 18-S Range 35-E NMPM Lea County

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 ☐

OTHER: Drill deeper

☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

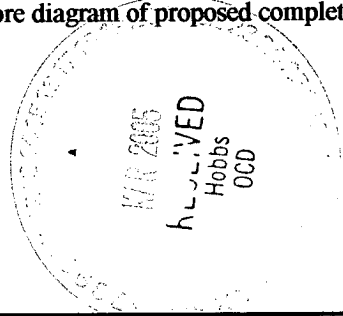
CASING/CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Continue drilling well to a projected total depth of between 15,000' and 15,500'.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Ann Westberry TITLE Manager, Corporate Support DATE 3/9/2005

Type or print name Ann Westberry

E-mail address: awestberry@paladinenergy.com Telephone No. 214-654-0132 X4

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER

Conditions of Approval (if any):

DATE MAR 15 2005