

DISTRICT I
1625 N Frnech 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 35080 22537		3 API Number 30-025-37429
5 Property Name South Vacuum		6 Well No. 221
9 Proposed Pool 1 Vacuum McKee, South 97368		10 Proposed Pool 2

UL or lot No	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
N	22	18-S	35-E		910	South	1650	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
N	22	18-S	35-E		720	South	1676	West	Lea

Additional Well Information

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3901'
16 Multiple No	17 Proposed depth 14,500'	18 Formation Granite Wash	19 Contractor	20 Spud Date 8/28/2005

Depth to Groundwater approx 60'		Distance from nearest fresh water well	
Pit: Liner Synthetic <input type="checkbox"/> Closed-Loop System <input type="checkbox"/>	12 mils thick Clay <input type="checkbox"/>	Pit Volume: bbls	Drilling Method Brine <input type="checkbox"/> Fresh Water <input type="checkbox"/> Disc/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#	416'	630 Sacks	Sur
12-1/4"	9-5/8"	40#	3,931'	1370 Sacks	Sur
8-3/4"	7"	26 & 29#	12,745'	1220 Sacks	5,000'
6-1/4"	5"	18#	14,592'	250 Sacks	12,720'

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 zone. Describe the blowout prevention program, if any Use additional sheets if necessary

Set 1st CIBP in 5" liner above McKee perforations at 13,850', dumped 35' of cement, test plug to 500 psi. Set 2nd CIBP above liner in 7" casing at 11,900', dumped 35' of cement, test plug to 500 psi.

Perforated Mississippian formation from 10,744-820'', 10,824-38', 10,846-872'. Acidize with 5000 gallons 15% HCL.
Swab back load water. Run 2-7/8" production string and rod pumping equipment, set TAC. N/U tree. Place on production.

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 <u>X</u> , a general permit _____, Or an (attached) alternative OGD-approved plan _____		OIL CONSERVATION DIVISION	
Printed name: David Plaisance		Approved by:	
Title: V P. Exploration & Production		Title: PETROLEUM ENGINEER	
E-mail Address: dplaisance@paladinenergy.com		Approval Date: JUL 11 2011 Expiration Date:	
Date: 6/30/2011	Phone: 214-654-0132	Conditions of Approval: Attached <input type="checkbox"/>	