

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
 June 19, 2008

HOBBS OCD

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

APR 13 2012

RECEIVED

WELL API NO. 30-025-00110
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. New Mexico State NCT 1
7. Lease Name or Unit Agreement Name State
8. Well Number 4
9. OGRID Number 164070
10. Pool name or Wildcat Caprock, East Devonian

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., Ste. 301, Dallas, Texas 75229

4. Well Location
 Unit Letter D : 990 feet from the North line and 990 feet from the West line
 Section 11 Township 12S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4375' GR

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
 DOWNHOLE COMMINGLE

Per Underground Injection Control Program Manual
 11.6 C Packer shall be set within or less than 100
 feet of the uppermost injection perfs or open hole.

OTHER: Evaluate Casing integrity for SWD conversion

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.

Step 1 MIRU on location. N/D wellhead, N/U BOP's. Set cement retainer at 8,220'. Squeeze Wolfcamp perforations from 8,400-8,990' 2SPF (8,950-90', 8,840-80', 8,700-40', 8,600-30', 8,400-60'). with 200 sacks cement. POOH. Pressure test 5-1/2" casing to CIBP at 10,100'. If test OK, P/U bit assembly and GIH and drill out cement and drill out CIBP at 10,100'. If casing does not test, GIH with packer and plug, test intervals until leak found, squeeze leak and drill out cement. Test casing again. If OK drill out CIBP and go to Step 2.

Step 2 Clean and circulate hole. GIH with packer and pressure test casing from 10,100 to CIBP at 11,000'. Repeat procedure above to test casing from 10,100' to 11,000'. Drill out CIBP at 11,000', run to bottom of casing at 11,215', go in open hole from 11,215' to 11,435' and clean and circulate. POOH. GBIH with Pakcer and set at 11,140', pressure test entire casing to 500# for 30 minutes.

Step 3 If pressure test OK. Re-submit expired salt water injection permit # SWD 1126 for approval. Upon approval install plastic coated tubing and packer and convert to SWD well according to permit. If casing does not test for SWD, set 5-1/2" CIBP at 5,000' and pressure test, record chart and T&A wellbore for further evaluation.

Spud Date: 4/2/2012
 The Oil Conservation Division
MUST BE NOTIFIED 24 Hours
 Prior to the beginning of operations
 Condition of Approval: notify
OCD Hobbs office 24 hours
 prior of running MIT Test & Chart

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

SIGNATURE David Plaisance TITLE V. P. Exploration & Production DATE 4/12/2010

Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132

For State Use Only

APPROVED BY: [Signature] TITLE Staff Mgr DATE 4-16-2012
 Conditions of Approval (if any):

APR 17 2012