

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

HOBBSON CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
JUL 09 2012

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.)		WELL API NO. 30-025-00 105
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other - SWD		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator PALADIN ENERGY CORP.		6. State Oil & Gas Lease No.
3. Address of Operator 10290 Monroe Drive, Suite 301, Dallas, Texas 75229		7. Lease Name or Unit Agreement Name State ECC
4. Well Location Unit Letter B : 660 feet from the North line and 1980 feet from the East line Section 11 Township 12S Range 32E NMPM Lea County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4361' RKB		9. OGRID Number 164070
10. Pool name or Wildcat Caprock: Wolfcamp, East		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

- MIRU, GIH with 2-7/8" tubing and packer, set packer at 8,100', bullhead 1st plug with 100 + sacks of cement from 8,100-8,600' through stuck 2-3/8" tubing and 5-1/2" collapsed casing. WOC. Tag cement. Set 2nd plug with 25 sks cement from 6,300'-6,500', WOC, tag plug.
- Cut 5-1/2" casing at 4,500' or deepest free point and pull. GIH w/ 2-7/8" tubing and set 3rd plug with 200' cement stub plug in and out of 5-1/2" casing, from 4,400' to 4,600' with 50 sacks class H cement. WOC. Tag plug at 4,400'. Set 4th plug with 200' cement shoe plug in and out of 8-5/8" casing from 3,685-3,785' with 50 sacks class H cement. WOC. Tag plug at 3,500'.
- Perforate 8-5/8" casing at 1,500' for squeeze. GBIH with tubing and packer, squeeze perfs w/40sks cement at 1,500'. POOH with tubing and packer, WOC.
- Perforate 8-5/8" casing at 250', squeeze with 50 sacks from 300-400'. Tag plug at 150'.
- Perforate casing at 60' and circulate class C cement to surface. WOC. Tag plug.
- Cut all casing 3' below mud line. Backfill, set P&A marker, clear location.

Spud Date:

Rig Release Date:

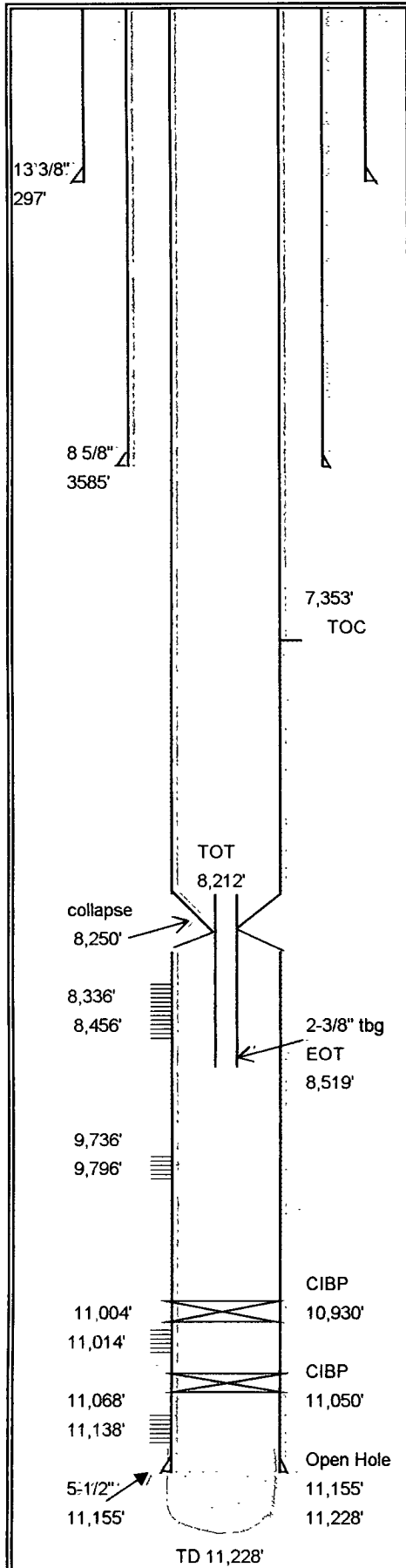
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Plaisance TITLE V.P. Exploration & Production DATE 6/28/2012
 Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132

For State Use Only

APPROVED BY: Mary Shawn TITLE Compliance Officer DATE 7/9/2012
 Conditions of Approval (if any):

Wellbore Schematic Present Completion



Lease: State ECC Well: #2 API # 30-025-00105

Field East Caprock County Lea State New Mexico

Section 11 Township 12-S Range 32-E

Elev. GL Elev. DF Elev. KB 4361'

Spudded 11/7/1952 Completed 1/28/1953 660' FNL, 1980' FEL

Surface Casing 13 3/8" OD 36# Grade J-55
Set @ 297' Hole Size 17 1/2"
TOC Sur Sacks 225

Intermediate Casing 8 5/8" OD 24 & 32#/Ft Grade J-55
Set @ 3585' Hole Size 11"
TOC Sacks 1,500

Production Casing 5-1/2" 17 & 20#/Ft. Grade J-55, N-80
Set @ 11,155' Hole Size 7-7/8"
TOC 8,450' Sacks 600

Liner Record OD #/Ft. Grade
Top @ Bottom @
Screen Hole Size
TOC Sacks

Tubing Detail Grade/Trd.
Pkr. Set @ EOT
Nipples
Anchors Rods

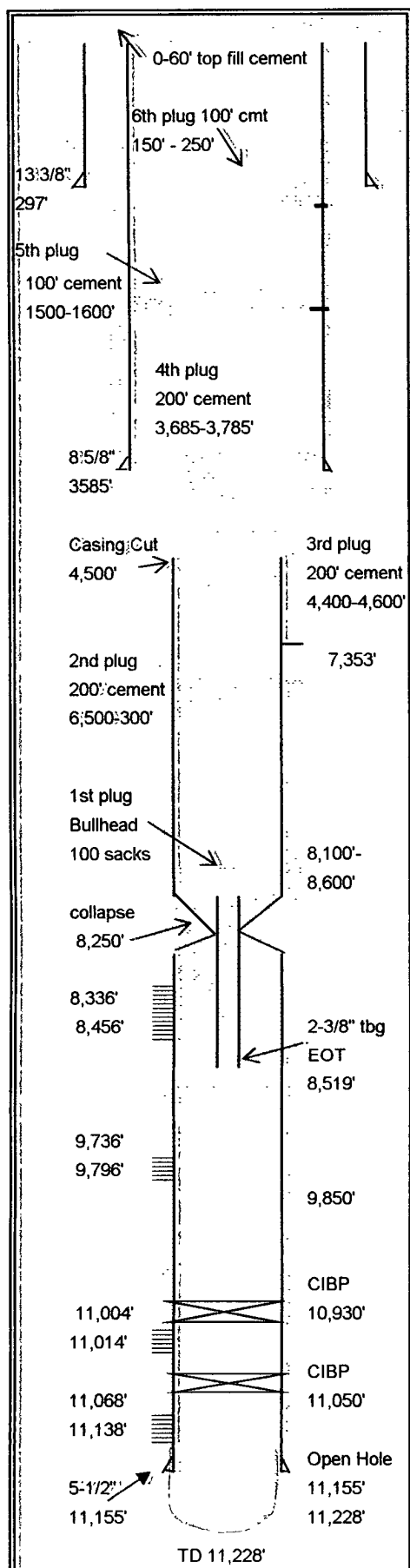
Perforation Record 11,155-11,228' OH Devonian
11,068-11,138' Devonian
11,004-11,014' Devonian
9,736-9,796' Penn
8,336-8,456' Wolfcamp

Treatment record

Comments:

Prepared By: David Plaisance
Date:

Proposed Plug And Abandonment



Lease: <u>State ECC</u>	Well: <u>#2</u>	API # <u>30-025-00105</u>
Field: <u>East Caprock</u>	County: <u>Lea</u>	State <u>New Mexico</u>
Section <u>11</u>	Township <u>12-S</u>	Range <u>32-E</u>
Elev. GL <u></u>	Elev. DF <u></u>	Elev. KB <u>4361'</u>
Spudded <u>11/7/1952</u>	Completed <u>1/28/1953</u>	660' FNL, 1980' FEL

Surface Casing	13 3/8" OD	36#	Grade	J-55
	Set @	297'	Hole Size	17 1/2"
	TOC	Sur	Sacks	225
Intermediate Casing	8 5/8" OD	24 & 32#/Ft	Grade	J-55
	Set @	3585'	Hole Size	11"
	TOC		Sacks	1,500
Production Casing	5-1/2"	17 & 20#/Ft.	Grade	J-55, N-80
	Set @	11,155'	Hole Size	7-7/8"
	TOC	8,450'	Sacks	600
Liner Record	OD	#/Ft	Grade	
	Top @		Bottom @	
	Screen		Hole Size	
	TOC		Sacks	
Tubing Detail			Grade/Trd	
	Pkr. Set @		EOT	
	Nipples			
	Anchors		Rods	
Perforation Record	11,155-11,228' OH		Devonian	
	11,068-11,138'		Devonian	
	11,004-11,014'		Devonian	
	9,736-9,796'		Penn	
	8,336-8,456'		Wolfcamp	

Treatment record

Comments:

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	ECC	WELL NO	2	DATE(S)	5/1/2012
FIELD	East Caprock	COUNTY	Lea	STATE	NM
CONTRACTOR	Basic	SUPERVISOR	Pete Stull		
WORK SUMMARY					

Move in and rig up pulling unit! LD horse head, PR pull and rods are parted only weighs 4000#. POW have all of the 7/8" rods and box is broke on 7/8x 3/4" xover. RIW w/overshot to grab rod box, latch onto fish attempt to unseat pump and was unable to do so. Broke fishing tool and POW and LD fishing tool. SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	2,100	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	400	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	300	METERS, LACT, ETC	
OTHER	spooler	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	2,800
		CUMULATIVE COST	2,800

WELL RECORD

PULLED FROM WELL	EQUIPMENT	RUN IN WELL
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PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE ECC WELL NO 2 DATE(S) 5/2/2012
 FIELD East Caprock COUNTY Lea STATE NM
 CONTRACTOR Basic SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, PU 1-29/32" overshoot w/15/8" spiral grapple on rods. Latch on to fish and got a 20K slipped off and then got a 30K pull, slipped off and couldn't get a grab again. POW and grapple is gone in over shot. ND WH NU BOP and try to release packer. Try all the way to 70K 15K over string weight unable to release TAC. ND BOP. Call for swivel RU swivel and work to release TAC working up and down in 5K increments Unable to release TAC, RD swivel. NU WH flange and SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL		SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES	1,100	FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER swivel	800	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	6,800
		CUMULATIVE COST	9,600

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	<u>ECC</u>	WELL NO	<u>2</u>	DATE(S)	<u>5/3/2012</u>
FIELD	<u>East Caprock</u>	COUNTY	<u>Lea</u>	STATE	<u>NM</u>
CONTRACTOR	<u>Basic</u>	SUPERVISOR	<u>Pete Stull</u>		
WORK SUMMARY _____					

Have wrong fishing tool won't go over 1-5/8" rod box. PU overshot for 7/8" rod box RIW and latch onto top of fish.

Work to unset pump unable to do so. Try and back off rods backed off rods and have 14K of weight. POW and have

all of the rods except 2 3/4" rods, 6 Kbars and the pump. ND WH and NU BOP SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL		SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES	150	FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	swivel	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	4,450
		CUMULATIVE COST	14,050

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	ECC	WELL NO	2	DATE(S)	5/4/2012
FIELD	East Caprock	COUNTY	Lea	STATE	NM
CONTRACTOR	Basic	SUPERVISOR	Pete Stull		
WORK SUMMARY					

Open well, RU wireline truck, RIW w/free point tool, find free pipe at 7500', run to top of fish 8270' pipe stuck at TAC free at 8250'. POW LD free point tool, PU chem cutter and RIW and cut tubing at 8212' 1-1/2 jt above TAC. POW LD wireline cutter. RD wireline truck. POW w/tbg, LD 2 blast jts. PU overshot, bumper sub, jars, (6) 3-1/2" DC's. RIW w/tbg and BHA leave 18 jts in derrick and SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL		SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	fish tools	ELECTRICAL EQUIPMENT	
	6,000	TOTAL DAILY COST	10,900
		CUMULATIVE COST	24,950

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	<u>ECC</u>	WELL NO	<u>2</u>	DATE(S)	<u>5/7/2012</u>
FIELD	<u>East Caprock</u>	COUNTY	<u>Lea</u>	STATE	<u>NM</u>
CONTRACTOR	<u>Basic</u>	SUPERVISOR	<u>Pete Stull</u>		
WORK SUMMARY _____					

Open well finish RIW w/tbg and tag up on fish at 8212'. Make attempt to release TAC didn't release, start jarring up 42K over string weight, jar for hour start jarring up at 88K 50K over string weight. Jar for 2-1/2 hrs and lost fish. POW and have 32" piece of bent tbg in overshot. Bottom of tbg and top of fish is slit and peeled over. LD tools and SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,300	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	50	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING	10,250	ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	fish tools 1,000	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	29,000
		CUMULATIVE COST	53,950

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	ECC	WELL NO	2 DATE(S)	5/8/2012
FIELD	East Caprock	COUNTY	Lea	STATE NM
CONTRACTOR	Basic	SUPERVISOR	Pete Stull	
WORK SUMMARY				

Open well, PU 3-3/8" overshot w/2-3/8" grapple, w/cutrite inside lip guide to dress over top of 2-3/8" tbg, b.sub, jars, (6) DC's, RIW and tag up on fish at 8212' PU swivel and dress up top and set overshot grapple on fish. Latch up start jarring at 80K LD swivel PU jt and continue to jar. Grapple let go POW LD overshot grapple was broken in half. PU new undersize grapple 2-5/32" RIW and stop 14 jts from fish. Fish at 8212'. SWI SDFN.

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	50	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY WERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER		ELECTRICAL EQUIPMENT	
fish tools	1,800	TOTAL DAILY COST	6,750
		CUMULATIVE COST	60,700

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	ECC	WELL NO	2	DATE(S)	5/9/2012
FIELD	East Caprock	COUNTY	Lea	STATE	NM
CONTRACTOR	Basic	SUPERVISOR	Pete Stull		
WORK SUMMARY					

Open well, RIW w/6 stds and latch onto fish at 8212' and start jarring. Jarred at 80K 42K over string weight, jarred 8 hrs and pull up to 85K and leave that tension in slips. Top of fish at 8212'. SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,900	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	50	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR. & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER		ELECTRICAL EQUIPMENT	
fish tools	6,200	TOTAL DAILY COST	11,150
		CUMULATIVE COST	71,850

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE ECC WELL NO 2 DATE(S) 5/10/2012
 FIELD East Caprock COUNTY Lea STATE NM
 CONTRACTOR Basic SUPERVISOR Pete Stull
 WORK SUMMARY _____

Open well, tbg still in 80K tension. Set off jars, then try to release overshot w/tongs. Unable to release overshot PU swivel and got overshot released. POW w/tbg LD DC's, jars, b sub, overshot. RIW w/tbg, ND BOP NU WH flange, RIW and LD 6 rods, RIW w/rest of rods. PU PR and stuffing box SWI SDFN

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	4,050	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	50	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER fish tools	1,200	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	6,300
		CUMULATIVE COST	78,150

WELL RECORD		
PULLED FROM WELL	EQUIPMENT	RUN IN WELL

PALADIN ENERGY CORP.

Well Servicing, Workover & Completion Record

LEASE	ECC	WELL NO	2 DATE(S)	5/11/2012
FIELD	East Caprock	COUNTY	Lea	STATE NM
CONTRACTOR	Basic	SUPERVISOR	Pete Stull	
WORK SUMMARY				

Open well 2-3/8" POW and LD all rods. RIW w/tbg left out cutoff and 2 3-1/2' blast jts. RU WH on polished rod, stuffing box and pumping tee. Fish at 8212' EOT att 8156'. Clean loc rig down pulling unit and move off loc.

DAILY COSTS:

ROAD, LOCATIONS & DAMAGES		TULULARS	
RIG COST	3,000	WELLHEAD EQUIPMENT	
EQUIPMENT RENTAL	50	SUBSURFACE EQUIPMENT	
LOGGING & PERFORATING		ARTIFICIAL LIFT EQUIPMENT	
STIMULATION		SUCKER RODS	
TRUCKING & TRANSPORTATION		TANKS	
CEMENTING		PRESSURE VESSELS	
COMPLETION FLUIDS		FLOWLINES	
CONTRACT & COMPANY SERVICES		INSTALLATION	
MISCELLANEOUS SUPPLIES		FITINGS, VALVES, ETC.	
ENGR & SUPERVISION	1,000	METERS, LACT, ETC.	
OTHER	fish tools	ELECTRICAL EQUIPMENT	
		TOTAL DAILY COST	4,050
		CUMULATIVE COST	82,200

WELL RECORD

PULLED FROM WELL	EQUIPMENT	RUN IN WELL
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