

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

Revised August 1, 2011

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

WELL API NO. 30-025-00105
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State ECC
8. Well Number 002
9. OGRID Number 164070
10. Pool name or Wildcat Caprock: Wolfcamp, East

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 Corporation

3. Address of Operator
10290 Monroe Drive, Suite 301, Dallas, TX 75229

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

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4361' RKB

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached.

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.emnrd.state.nm.us/oed.

Spud Date: 07/17/12

Rig Release Date: 07/25/12

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

SIGNATURE David Plaisance TITLE Vice-President DATE 07/27/12

Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132 X3
For State Use Only

APPROVED BY: [Signature] TITLE Dist. Mgr DATE 8-1-2012
Conditions of Approval (if any):

AUG 01 2012

Paladin State ECC #2

7/17/2012 Move in rig up. Dig out cellar and move rods lying on location out of the way.

7/18/2012 Finish plumbing well head into the pit. Installed BOP. Tallied out of the hole with tubing. Picked up AD-1 packer and ran in hole. Packer would not set. POH with packer and pick up another AD-1. Started in the hole with the packer and got stuck in the wellhead. Took 2 hours to work packer free. SION. Took packer to get redressed.

7/19/2012 Picked up AD-1 packer RIH and set at 7784'. Pressured up to 350 #. Could not pump down hole passed collapsed casing. Released packer and RIH to 8184'. Spotted 25sx cement. WOC and tagged at 7907'. Circulated hole with brine and mud. POH to 6502' and spotted 35 sx cement. POH and SION.

7/20/2012 RIH and tagged at 6158'. POH with tubing. Removed BOP. SION

7/21/2012 Removed top wellhead to expose 5 1/2" casing. Welded on 5 1/2" pull stub. Rigged up casing jacks and removed slips. Stretch tested showed casing free at 3800'. Rigged up wire line but could not get jet cutter down because of casing that was crimped when using the casing jacks. Will get a different cutter in the morning. SION

7/23/2012 Rigged up wireline and cut casing with split shot at 3688'. Pulled up to first collar and found it was buttress. Went to Hobbs and rented 5 1/2" slip type casing elevators from Bull Rogers. Laid down 115 Joint of 5 1/2" casing. SION

7/24/2012 RIH with tubing to 3758' inside of 5 1/2" casing and pumped 65 sx cement. WOC and tagged at 3497'. POH and perforated at 1500'. RIH with 8 5/8" packer and set at 1241'. Pressured up to 500#. Would not take fluid. Released packer and RIH to 1551' and spotted 35 sx cement. POH and SION.

7/25/2012 RIH and tagged cement at 1397'. Laid down remaining tubing and rigged up on 8 5/8" casing. Pumped cement down 8 5/8" casing to perfs at 350' and up 8 5/8" X 13 3/8" annulus to surface. Took 235 sx. Rigged down, cut off wellhead, installed marker, cut off anchors and installed dry hole marker.