

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 888210

DISTRICT III

1000 Rio Brazos Rd., 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

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

HOBBS OIL CONSERVATION DIVISION

JUL 05 2012

2040 Pacheco St.
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
		3 API Number 30-025-00110
4 Property Code 15218	5 Property Name New Mexico BH State NCT 1	6 Well No. 4

7 Surface Location

UL or lot No. D	Section 11	Township 12-S	Range 32-E	Lot. Ind	Feet from the 990	North/South Line North	Feet from the 990	East/West Li West	County Lea
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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 Li	County
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9 Proposed Pool 1

Caprock, East Devonian

10 Proposed Pool 2

CAPROCK; UPPER PENN, EAST / CAPROCK; UPPER DEV, EAST

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code P	15 Ground Level Elevation 4375'
16 Multiple No	17 Proposed depth 11,750'	18 Formation Devonian	19 Contractor	20 Spud Date 7/9/2012

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#	335'	350	Surface
11"	8-5/8"	32#	3635'	2300	Surface
7-7/8"	5-1/2"	17#	11,215'	400	8000'

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

Move in and Rig Up pulling unit with closed loop drilling system. Picked up 4-3/4" bit and bottom hole assembly. GIH, Clean and circulate to end of 5-1/2" casing at 11,215'. Drill and deepen 4-3/4" open hole section from 11,215' to 11,750'. Acidized with 8,000 gal of 15% HCL. Lay down work string. Wait on final SWD permit and complete well as a Salt Water Disposal well in the Devonian formation. Run MIT pressure test and put on line.

BOP - 6" Hydraulic Dual Ram (5M), Blind & Pipe

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

plugback

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.

Signature:

Printed name:

David Plaisance

Title:

VP Exploration & Production

Date:

9/26/2003

Phone:

214-654-0132

OIL CONSERVATION DIVISION

Approved by:

Title:

Petroleum Engineer

Approval Date:

AUG 30 2012

Expiration Date:

Conditions of Approval:

Attached

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS

AUG 30 2012

RECEIVED

State of New Mexico
Minerals & Natural Resources Department

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

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-00110	² Pool Code 8930	³ Pool Name Caprock, East Devonian
⁴ Property Code 15218	⁵ Property Name New Mexico BH State NCT 1	⁶ Well Number 4
⁷ OGRID No. 164070	⁸ Operator Name Paladin Energy Corp.	⁹ Elevation 4375'

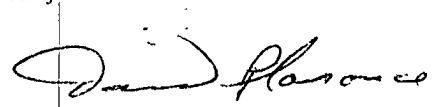
¹⁰ Surface Location

UL or lot no. D	Section 11	Township 12	Range 32E	Lot Idn	Feet from the 990	North/South line North	Feet from the 990	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

State BH #4 990FNL, 990 FWL •			<u>Sec 11, T12S, 32E</u>	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief:</i>  Signature David Plasiance Printed Name VP Exploration & Production Title Date 8/2/2012
				¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>
				Date of Survey Signature and Seal of Professional Surveyor:
				Certificate Number