

DISTRICT I

1625 N. Fruech 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 ✓
		3 API Number 30-025-03150 ✓
4 Property Code 22557 ✓	5 Property Name South Vacuum Unit ✓	6 Well No. 351 SWP
9 Proposed Pool 1 Vacuum, Devonian South		10 Proposed Pool 2

7 Surface Location

UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
G	35	18-S	35-E		1980	North	1980	East	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
									Lea

Additional Well Information

11 Work Type Code <i>P</i> <i>D</i>	12 Well Type Code S	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3869'
16 Multiple No	17 Proposed depth 12,100'	18 Formation Devonian	19 Contractor	20 Spud Date 8/21/2005

Depth to Groundwater: approx 60'		Distance from nearest fresh water well 1/2 mile		Distance from nearest surface water: more than 1 mile	
*Pit Liner: Synthetic <input type="checkbox"/>	Clay <input type="checkbox"/>	Pit Volume:		Drilling Method:	Fresh Water <input type="checkbox"/>
Closed-Loop System <input type="checkbox"/>		Brine <input checked="" type="checkbox"/>		Disel/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
15	11-3/4	42#	329'	350	Sur
11	8-5/8	32/24#	3,755'	500	
7-7/8	5-1/2	20/17#	11,846'	440	8850
4-3/4"	Open hole		12,100'		

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.

Drill out cement from previous squeeze of Bone Springs perforations at 8892-902', drill out CIBP at 9510'
 Clean out wellbore to TD at 11,836'. Test 5-1/2" casing. Drill out shoe and deepen wellbore to 12,100'
 Convert well to Salt Water Disposal as per Administrative Order SWD-980.
 Run plastic coated 3-1/2" tubing and packer. Set plastic coated packer at 11,525'
 Inject produced water from present Devonian perforations at 11,643-680' and open hole from 11,836-12,100'.

*All deepening will be performed by using closed system with steel tanks for drilling fluids.

BOP - 6" Hydraulic Dual Ram (10M), Blind & Pipe

Permit Expires 1 Year 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. I further certify that the drill pit will be constructed according NMOCD guideline X, a general permit , Or an (attached) alternative

OCD-approved plan

Printed name: David Plaisance

Title:

V.P. Exploration & Production

E-mail Address:

dplaisance@paladinenergy.com

Date: 9/27/2004

Phone: 214-654-0132

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

ORIGINAL SIGNED BY
 PAUL F. KAUTZ
 PETROLEUM ENGINEER

AUG 26 2005

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-03150	² Pool Code 62010	³ Pool Name Vacuum, Devonian South
⁴ Property Code 22557	⁵ Property Name South Vacuum	⁶ Well Number 351 SWD
⁷ OGRID No. 164070	⁸ Operator Name Paladin Energy Corp.	⁹ Elevation 3869'

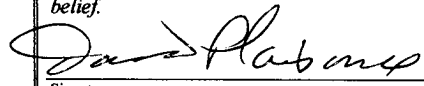
¹⁰ Surface Location

UL or lot no. G	Section 35	Township 18-S	Range 35-E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line East	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

16			<p>Sec 35, T18S, 35E</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p></p> <p>Signature</p> <p>David Plasiance</p> <p>Printed Name</p> <p>VP Exploration & Production</p> <p>Title</p> <p>8/18/2005</p> <p>Date</p>
				<p>SVU 351 SWD</p> <p>1980 FNL, 1980 FEL</p>
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
				<p>Certificate Number</p>