

DISTRICT I
1625 N.Frnech 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
4 Property Code 22557	5 Property Name South Vacuum Unit	3 API Number 30-025-03151
9 Proposed Pool 1 Vacuum Mckee, South 97368		6 Well No. 352
10 Proposed Pool 2		

7 Surface Location

UL or lot No. I	Section 35	Township 18-S	Range 35-E	Lot. Ind	Feet from the 1980	North/South Line South	Feet from the 660	East/West Line East	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 Line	County Lea
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Additional Well Information

11 Work Type Code P	12 Well Type Code G	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3862'
16 Multiple No	17 Proposed depth 13,919'	18 Formation Granite Wash	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: <input type="checkbox"/>	Drilling Method: Fresh Water <input type="checkbox"/>	
Closed-Loop System <input checked="" type="checkbox"/>	Brine <input checked="" type="checkbox"/> Diesel/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
17-1/2"	13-3/8	48#	351'	400	
12-1/4"	9-5/8	36#	3808'	1220	
8-3/4"	7	32/29/24/26/23#	11,953'	870	
6	5	18#	13,881'	330	

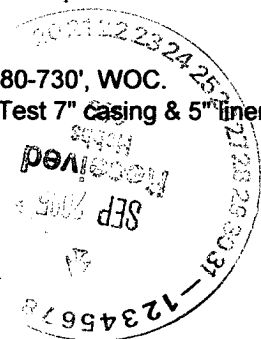
22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

R/U Pulling Unit, N/D tree, N/U BOP's. Pull tubing and packer. Squeeze Devonian perforations at 11,680-730', WOC. Drill out cement and CIBP at 11,700". Drill out Mckee Sd squeeze from 13620-823', to TD at 13,919". Test 7" casing & 5" liner. Run logs and perforate selected intervals in Mckee Sand from 13,620-823'. Perform proppant fracture treatment job w/ approximately 180,000 gallons water, acid & additives and 170,000 pounds of proppant. Complete and test well.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

BOP - 11" Hydraulic Dual Ram (10M), Blind & Pipr

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 <u>X</u> , a general permit <u> </u> , Or an (attached) alternative		OIL CONSERVATION DIVISION	
OCD-approved plan <u> </u>		Approved by:	
Printed name: David Plaisance	<i>David Plaisance</i>	Title: <i>[Signature]</i> PETROLEUM ENGINEER	
Title: V.P. Exploration & Production		Approval Date: SEP 13 2005	
E-mail Address: dplaisance@paladinenergy.com		Expiration Date:	
Date: 9/1/2005	Phone: 214-654-0132	Conditions of Approval Attached <input type="checkbox"/>	

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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	² Pool Code 97368	³ Pool Name Vacuum Mckee, South 97368
⁴ Property Code 22557	⁵ Property Name South Vacuum Unit	⁶ Well Number 35 2
⁷ OGRID No. 164070	⁸ Operator Name Paladin Energy Corp.	⁹ Elevation 3862'


¹⁰ Surface Location

UL or lot no. I	Section 35	Township 18-S	Range 35-E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 660	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 320	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			<u>Sec 35, T18S, 35E</u>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature
				David Plasiance Printed Name <u>VP Exploration & Production</u> Title 9/1/2005 Date
			• SVU 352 1980 FNL, 660 FEL	¹⁸ SURVEYOR CERTIFICATION 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.
				Date of Survey Signature and Seal of Professional Surveyor: Certificate Number