STATE OF NEW MEXICO					
Submit 3 Copies Energy, Minerals and Natural Resources Department to Appropriate District Office	Form C-103 Revised 1-1-89				
OIL CONSERVATION DIVISION					
DISTRICT I 2040 Pacheco St.	WELL API NO				
P.O. Box 1980, Hobbs, NM 88240 Santa Fe, NM 87505	30-025-01047				
	5. Indicate Type of Lease				
DISTRICT II P.O. Drawer DD, Artesia, NM 888210	STATE FEE X				
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410					
SUNDRY NOTICES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name				
(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.)	W. E. Mathers A				
1. Type of Well:					
2. Name of Operator PALADIN ENERGY CORP.	8. Well No.				
PALADIN ENERGI CORP.	9. Pool name or Wildcat				
3. Address of Operator 1290 Monroe Drive, Suite 301, Dallas, Texas 7522	Bagley; Lower Penn (Gas)				
4 Well Location					
Unit Letter B :660 Feet From The North Line a1	980 Feet from The East Line				
Section 3 Township 12-S Range 33-E Elevation (Show whether DF,RKB, RT, GR, e	NMPM Lea County				
4257' DF					
Check Appropriate Box to Indicate Nature of Notice,	Report, Or Other Data				
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WO	RK ALTRG CSG				
TEMPORARILY ABANDON CHANGE PLANS COMMENCE D	RLG OPNS. P&A				
PULL OR ALTER CASING					
OTHER OTHER	added perfs to Penn X				
<ol> <li>Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent d date of starting any proposed work) SEE RULE 1103</li> </ol>	ate, including estimated				
2/27/03-3/3/03 MI & RU well service unit. NU BOP. TOH w/rods, pump, TAC, SN & mu	ud anchor. RU & logged from 8970' to				
8550', correlated to 7/24/98 Computalog. Perf'd from 8490-46', 8898-8906', 8776-90', 8	624-40', 8601-14', 8526-40', 2 SPF,				
all shots fired good. Total 136 holes. Tst'd all tbg to 7000#. TIH/w RBP, 2-3/8"X5-1/2"	packer & 278 jts 2-3/8" tbg, set plug				
8960', tst'd to 500#, tst'd OK. Set packer@8431', loaded csg w/100 bls KCL wtr. RU sw	wab, made 4 runs, engling fluid level				
at 4200'. Swabbed to SN, SD 1 hr, had no flow.					
03/04/2003 RU to acidize, released packer. Spotted 500 gals 15% HCL acid & 40 bls KCL wtr across perfs. TOH/wrbg,					
set packer & loaded csg w/20 bls KCL wtr. Pressured to 500#. Pumped 3000 gals 15% HCL acid & 150 ball sealers w/202					
bis flush. Swabbed to SN.					
3/5/03-3/10/03 Could not catch BP, TIH/w 4.5 impression block. Found pin looking up. TIH/w 4-11/16".overshot & tbg					
Tagged fish. TOH/w tbg, overshot & fish. TIH/w retrieving tool & tbg. Released BP, TOH/w tbg & plug TIH/w 2-3/8"X5-1/2"					
packer & 200 jts 2-3/8" tbg. CONTINUED ON NEXT PAGE  1 hereby certify that the information above is true and complete to the best of my knowledge and belief.					
SIGNATURE ANN Meters TITLE Mgr, Corporat	e Support DATE 06/10/03				
Ann Westberry					
TYPE OR PRINT NAME (This space for State Use) /	TELEPHONE NUMBER 214-654-0132 X4				
This space for State Use) APPROVED BY Hauf W. Wink OC FIELD REPRESENTATIVE T	DATE JUN 1 7 7003				
CONDITIONS OF APPROVAL, IF ANY:					

- 1

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DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410							
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1. Type of Well: OIL WELL X	GA: WE		отн	ER			
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Section 3		wnship 12- wation <i>(Show</i> w		, RKB, RT, GR, etc)	NMPM	Lea	County
Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data							
NOTICE OF	INTENTION TO:			] :	SUBSEQUEN	T REPORT O	F:
PERFORM REMEDIAL WORK	PLU	JG AND ABANDON		REMEDIAL WORK		ALTRG CSG	
TEMPORARILY ABANDON	СНА	ANGE PLANS		COMMENCE DRL(		P&A	
PULL OR ALTER CASING				CSG TST & CM			
OTHER				OTHER	added perfs		
<ol> <li>Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103</li> <li>CONTINUED</li> <li>03/11/03 TIH/w 110 its tbg, set packer @ 9650'. RU to acidize, pumped 1500 gals 15% HCL acide &amp; 55 bls 8 9# brine flush</li> </ol>							

**03/11/03** TIH/w 110 jts tbg, set packer @ 9650'. RU to acidize, pumped 1500 gals 15% HCL acide & 55 bls 8.9# brine flush Pumped at a rate of 4.9 bls per min @ 2975#. Released packer, TOHw/tbg. Set packer @ 9660'. Pumped 1500 gal 15% HCL acid & 60 bls 8.9# brine @ 4.8 bls per min @ 110# pressure. Released packer & TOH/w tbg & packer. TIH/w 2-3/8" mud anchor, 3' perf sub, SN, 26 jts 2-3/8" tbg, TAC & 266 jts 2-3/8" tbg. Set TAC @ 8278", SN @ 9087'. EOT @ 9111'. 3/12/03 TIH/w 2X1-1/4"X20'X22'X24'. RHBC pump, 75 plain rods, 45 guided rods, 100 7/8" rods, 1-1/2" polish rods. Hung well on & resumed production.

Daily Production Before Workover: 3 BOD, 69 MCFD, 0 BWPD Daily Production After Workover: 4 BOD, 70 MCFD, 33 BWPD

- - .**.** 

I hereby certify that the information above is true and complete to the best of my knowledge and belief.				
SIGNATURE	Ann Westberry	Mgr, Corporate Support DATE 06/10/03		
TYPE OR PRINT N	AME	TELEPHONE NUMBER 214-654-0132 X4		
(This space for State	e Use)			
APPROVED BY	TITLE	DATE		
CONDITIONS OF A	PPROVAL, IF ANY:			