

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**  
**OIL CONSERVATION DIVISION**  
2040 Pacheco St.  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

APR 19 2013

RECEIVED

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1 Operator Name and Address <b>PALADIN ENERGY CORP.</b> 10290 Monroe Drive, Suite 301 Dallas, Texas 75229							2 OGRID Number <b>164070</b>		
							3 API Number <b>30.025-03152</b>		
4 Property Code <b>22557</b>			5 Property Name <b>South Vacuum Unit</b>				6 Well No. <b>353</b>		
<b>7 Surface Location</b>									
UL or lot No. <b>C</b>	Section <b>35</b>	Township <b>18-S</b>	Range <b>35-E</b>	Lot. Ind	Feet from the <b>660</b>	North/South Line <b>North</b>	Feet from the <b>1980</b>	East/West Line <b>West</b>	County <b>Lea</b>
<b>8 Proposed Bottom Hole Location If Different From Surface</b>									
UL or lot No.	Section	Township	Range	Lot. Ind	Feet from the	North/South Line	Feet from the	East/West Line	County
9 Proposed Pool 1 <b>Vacuum, Devonian South 62010</b>					10 Proposed Pool 2				
11 Work Type Code <b>P</b>		12 Well Type Code <b>O</b>		13 Cable/Rotary <b>Rotary</b>		14 Lease Type Code <b>S</b>		15 Ground Level Elevation <b>3870'</b>	
16 Multiple <b>No</b>		17 Proposed depth <b>11,675'</b>		18 Formation <b>Devonian</b>		19 Contractor		20 Spud Date <b>11/10/2007</b>	
<b>21 Proposed Casing and Cement Program</b>									
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks Cement	Estimated TOC				
17-1/2	13-3/8	48#	437'	450	Sur				
12-1/4	9-5/8	40#	3800'	1300					
8-3/4"	7	26# & 29#	12,194'	715	7186'				
6-1/4"	5	18#	13,761'	250	11,773'				

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.

- 1.) Set CIBP in 5" Liner at 13,500', dump bail 35' cement on top to plug Mckee perforations from 13,650-900'. WOC, Test plug.
- 2.) Set 2nd CIBP in 7" csg at 11,750', dump bail 35' cement on top of plug (5" liner Top @ 11,773'). WOC, Test plug.
- 2.) Perforate for production in Devonian formation from 11,610'-11,670' & 11,470'-11,590'.
- 3.) Acidize with 6000 gal 15% HCL. Swab back and place on production on electrical submersible pump.

**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: 		<b>OIL CONSERVATION DIVISION</b>	
Printed name: <b>David Plaisance</b>		Approved by: 	Title: <b>Petroleum Engineer</b>
Title: <b>VP Exploration &amp; Production</b>		Approval Date: <b>APR 24 2013</b>	Expiration Date:
Date: <b>4/17/2013</b>	Phone: <b>214-654-0132</b>	Conditions of Approval: Attached <input type="checkbox"/>	

APR 24 2013

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

HOBBS OCD

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

District II  
811 South First, Artesia, NM 88210

APR 23 2013

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

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

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

RECEIVED

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-03152	<sup>2</sup> Pool Code 62010	<sup>3</sup> Pool Name Vacuum; Devonian, South
<sup>4</sup> Property Code 22557	<sup>5</sup> Property Name South Vacuum Unit	<sup>6</sup> Well Number 353
<sup>7</sup> OGRID No. 164070	<sup>8</sup> Operator Name Paladin Energy Corp.	<sup>9</sup> Elevation 3,870'

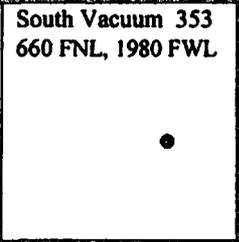
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	35	18-S	35-E		660'	North	1980'	West	Lea

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

South Vacuum 353 660 FNL, 1980 FWL 	Sec 35, T18S, 35E	<sup>17</sup> 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 Plaisance Printed Name VP Exploration & Production Title 4/22/2013 Date
		<sup>18</sup> 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