

DISTRICT I  
1625 N.Frnech Dr., Hobbs, NM 88240

STATE OF NEW MEXICO  
Energy, Minerals and Natural Resources Department

Form C-101  
May 27,2004

DISTRICT II  
1301 W. Grand Avenue, Atesia, NM 88210

HOBBS OCD

Submit to Appropriate District Office

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410

APR 19 2013

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

AMENDED REPORT

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

RECEIVED

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	3 API Number <i>37122</i> 30-025-37122 6 Well No. 274
9 Proposed Pool 1 Vacuum Devonian, South 62010		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
P	27	18-S	35-E		960	South	693	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 P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3886'
16 Multiple No	17 Proposed depth 11,965'	18 Formation Devonian	19 Contractor	20 Spud Date 8/7/2007

Depth to Groundwater: approx 68'      Distance from nearest fresh water well      1/2 mile plus      Distance from nearest surface water: Playa - 1500 feet

Pit:      Liner: Synthetic       Clay       Pit Volume:      Drilling Method:      Fresh Water

                 Closed-Loop System       Brine       Diesel/Oil-Based       Gas/Air

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#	450'	328	Sur
12-1/4	9-5/8	40#	3943'	1298	
8-3/4"	7	26# & 29#	12,550'	810	9,080'
6-1/4"	5	18#	14,230'	268	12,227'

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, POOH w/ tubing and sub pump. Set retrievable bridge plug at 11,200' with 50' sand on top. Pull Bridge Plug. Set cement retainer at 10,700' and squeezed Wolfcamp perforations from 10,858-78', 10,890-900', 10,920-30' with 300 sxs cement. GIH with bit assembly and drill out cement to bridge plug, wash sand and clean casing. POOH GBIH with retrieving tool and pull retrievable bridge plug. GIH and clean casing to PBD at 11,965'. POOH R/U e-line, add Devonian perforations from 11,840'-11,900' & 11,760'-11,820'. Acidize perforations with 6,000 gallons 15% acid, swab back. Run submersible pump and bring back on production.

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. 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: 4/17/2013      Phone: 214-654-0132

OIL CONSERVATION DIVISION

Approved by: 

Title: Petroleum Engineer

Approval Date: APR 24 2013      Expiration Date:

Conditions of Approval: Attached

APR 24 2013

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  
**HOBBS OCD**  
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

APR 23 2013

AMENDED REPORT

RECEIVED  
WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-37122		<sup>2</sup> Pool Code 62010		<sup>3</sup> Pool Name Vacuum; Devonian, South	
<sup>4</sup> Property Code		<sup>5</sup> Property Name South Vacuum			<sup>6</sup> Well Number 274
<sup>7</sup> OGRID No. 164070		<sup>8</sup> Operator Name Paladin Energy Corp.			<sup>9</sup> Elevation 3886'

<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
P	27	18-S	35-E		960	South	693	East	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

<sup>16</sup>	<u>Sec 27, T18S, 35E</u>			<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 Plasiance 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	
S. Vacuum 274 960 FSL, 693 FEL •				