

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101  
Revised July 18, 2013

**Energy Minerals and Natural Resources**  
**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**HOBS OGD**  
**OCT 31 2014**  
**RECEIVED**

AMENDED REPORT

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

|  |   |   |
|--|---|---|
| <sup>1</sup> Operator Name and Address<br>Paladin Energy Corp.<br>10320 Monroe Dr., Suite 301, Dallas, Texas 75229 |   | <sup>2</sup> OGRID Number<br>164070     |
|  |   | <sup>3</sup> API Number<br>30-025-37035 |
| <sup>4</sup> Property Code<br>22557  | <sup>5</sup> Property Name<br>South Vacuum Unit | <sup>6</sup> Well No.<br>265            |

**7. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| L        | 3524e   | 18S      | 35E   |         | 1980/1990 | South    | 660 980   | East     | Lea    |

**8. Proposed Bottom Hole Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
|          |         |          |       |         |           |          |           |          |        |

**9. Pool Information**

|                                     |                    |
|-------------------------------------|--------------------|
| Pool Name<br>Reeves; Wolfcamp South | Pool Code<br>97467 |
|-------------------------------------|--------------------|

**Additional Well Information**

|                              |   |   |                                   |   |
|------------------------------|---|---|-----------------------------------|---|
| <sup>11</sup> Work Type<br>P | <sup>12</sup> Well Type<br>Oil          | <sup>13</sup> Cable/Rotary<br>R                 | <sup>14</sup> Lease Type<br>State | <sup>15</sup> Ground Level Elevation<br>3,876' GR |
| <sup>16</sup> Multiple<br>No | <sup>17</sup> Proposed Depth<br>11,400' | <sup>18</sup> Formation<br>Wolfcamp             | <sup>19</sup> Contractor          | <sup>20</sup> Spud Date                           |
| Depth to Ground water 60'    |   | Distance from nearest fresh water well 1/2 mile |                                   | Distance to nearest surface water                 |

We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
|      | 17-1/2"   | 13-3/8"     | 48#              | 415'          | 445 Sacks       | Sur           |
|      | 12-1/4"   | 9-5/8"      | 40#              | 3,800'        | 1290 sacks      | Sur           |
|      | 8-3/4"    | 7"          | 26# & 29#        | 12,300'       | 750 Sacks       | 7,066'        |

**Casing/Cement Program: Additional Comments**

6-1/4" hole, 5" liner to 15,248', 18#, 300 Sacks

**22. Proposed Blowout Prevention Program**

| Type        | Working Pressure | Test Pressure | Manufacturer |
|-------------|------------------|---------------|--------------|
| 6" Dual Ram | 3,000 psi        |               |              |

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
I further certify that I have complied with 19.15.14.9 (A) NMAC  and/or 19.15.14.9 (B) NMAC , if applicable.  
Signature: *David Plaisance*

Printed name: David Plaisance  
Title: VP Exploration & Production  
E-mail Address: dplaisance@paladinenergy.com  
Date: 10/29/2014 Phone: 214-654-0132 ext 3

|                                  |                    |
|----------------------------------|--------------------|
| <b>OIL CONSERVATION DIVISION</b> |                    |
| Approved By:                     | <i>[Signature]</i> |
| Title:                           | Petroleum Engineer |
| Approved Date:                   | 11/04/14           |
| Expiration Date:                 | 11/04/16           |
| Conditions of Approval Attached  |                    |

**NOV 05 2014** *[Signature]*

Proposed Operations - South Vacuum Unit 265 - Wolfcamp Plugback

Set CIBP at 11,400' (+,-), above Devonian perforations at 11,586-600', 11,540-70', dump bail 35' of cement, WOC, test plug to 500 psi. Perforate Wolfcamp formation from 9,870'-9,960', 4SPF. GIH w/ packer and 2-7/8' workstring. Set packer at 9,700'. Acidized perforations with 6,500 gallons 15% HCL. Swabbed back spent acid and water. POOH with packer and tubing. Run production tubing and rod pumping equipment and place well on production.