

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

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

SUNDRY NOTICES AND REPORTS ON WELLS (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.)		WELL API NO. 30-025-37429
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Paladin Energy Corp.		6. State Oil & Gas Lease No. E1582-4
3. Address of Operator 10290 Monroe Drive, Suite 301 Dallas, TX 75229		7. Lease Name or Unit Agreement Name South Vacuum
Well Location Unit Letter <u>N</u> : <u>910</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>22</u> Township <u>18-S</u> Range <u>35-E</u> NMPM Lea County		8. Well Number <u>221</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3901'		9. OGRID Number 164070
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Vacuum McKee, South
Pit type <u> </u> Depth to Groundwater <u>60'</u> Distance from nearest fresh water well <u>1/2 Mile</u> Distance from nearest surface water <u>more than 1500'</u>		
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>14,366</u> bbls; Construction Material <u>synthetic</u>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/20/05 TIH w/285 jts 7" 29# casing. Circulate and wash casing to 12,745'.

10/21/05 RU Schlumberger cement 7" csg.

1st stage, 125 sks 50:50 poz; "H"+5% D44 +2% D20 +3% D800+ .2%D167.

2nd stage lead, 130 sks 35:65 poz "H"+5% D44 +6% D20 +6%D112 +.2% D46 +5% D79 +.35% D800,

2nd stage tail, 520 sks 50:50 poz; "H"+5%D44 +2%D20 +.3%D800 + .05 gps D801.

3rd stage lead, 340 sks 35:65 poz, "H"+5%D44 +6%D20 +.6%D112+ .2%D46 +.5%D79 +.05 gps D801,

3rd stage tail, 100 sks 50:50 poz "H"+5%D44 + 2%D20 +.2% D800.

Circ 20 bbls to reserve from 2nd stage. Casing set @ 12,745'.

ND BOP test slips w/325,000, cut off casing. NU BOP test stack to 3000# (OK)

Prep to set cement, tag cmt @ 7962', drill cmt and DV tool @ 7980'.

10/22/05 PU drill pipe, circ pipe volume, PU drill pipe, tag cmt @ 11,995', drill cmt and DV tool @ 12,017'. PU drill pipe, tag cmt @ 12,700' RD lay down machine. Drill cmt and wiper plug.

10/23/05 Drill cmt and float color, circ before running gyro, tst casing to 1500# (ok). RU slick line truck and run gyro. Drill cmt and float shoe while mudding up. Drill ahead.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Ann Westberry TITLE Manager, Corporate Support DATE 10/25/05

Type or print name Ann Westberry

E-mail address: awestberry@paladinenergy.com Telephone No. 214-654-0132 X4

For State Use Only

APPROVED BY: [Signature]

TITLE

PETROLEUM ENGINEER

DATE NOV 03 2005

Conditions of Approval (if any):