

DISTRICT I
1625 N.Frueh Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Atesia, NM 88210
DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

Form C-101
May 27,2004

Submit to Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

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 35476	5 Property Name Lea 403 State	3 API Number 30-025-21642
9 Proposed Pool 1 Vacuum Mississippian, South		6 Well No. 8
10 Proposed Pool 2		

7 Surface Location

UL or lot No. K	Section 22	Township 18-S	Range 35-E	Lot. Ind	Feet from the 1980	North/South Line South	Feet from the 1980	East/West Line West	County Lea
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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
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Additional Well Information

11 Work Type Code E	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code P	15 Ground Level Elevation 3901'
16 Multiple No	17 Proposed depth 11,615'	18 Formation Devonian	19 Contractor	20 Spud Date 3/15/2006
Depth to Groundwater:		Distance from nearest fresh water well 1/2 mile		Distance from nearest surface water more than 1 mile
Pit: Liner: Synthetic Closed-Loop System	<input type="checkbox"/> 12 mils thick Clay <input checked="" type="checkbox"/>	Pit Volume:	Drilling Method: Fresh Water Desert Oil Based Brine	Gas/Air <input type="checkbox"/>

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#	407'	375	Sur
11"	8-5/8	32#, 24#	4000'	1075	Sur
7-7/8	5-1/2	26# & 29#	11,780'	400	8500'

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.

MIRU, excavate and tie back to surface the 11-3/4" and 8-5/8" casing strings. Install BOP's & re-enter Lea 403 State #8 well (previously P&A'd 8/1/74). Drill out cement plugs through 8-5/8" casing down to 4000'. Clean & circulate casing, test casing to 500 psi. Enter open hole and clean out cement to top of 5-1/2" production casing at 8400'. Wash over 5-1/2" and tie back to surface. Test tie-back connection to 500 psi. Clean out plugs in 5-1/2" casing to plug back TD at 11,615'. Perforate for Production Mississippian formation at 10,800' (+,-) according to new RST log. If not productive, test Bone Springs/Strawn/Penn intervals.

*Will use steel tanks - No pits.

Permit Expires 1 Year From Approval
Data Unless Drilling Underway
Re-Entry

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: 2/27/2006

Phone: 214-654-0132

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

MAR 07 2006

Expiration Date:

Conditions of Approval:

Attached ☐

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-21642	² Pool Code 97411	³ Pool Name Vacuum Mississippian, South
⁴ Property Code 35476	⁵ Property Name Lea 403 State	⁶ Well Number 8
⁷ OGRID No. 164070	⁸ Operator Name Paladin EnergyCorp.	⁹ Elevation 3901'


¹⁰ Surface Location


UL or lot no. K	Section 22	Township 18-S	Range 35-E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line West	County Lea
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¹¹ 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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶			<u>Sec 26, T18S, 35E</u>	¹⁷ 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 2/27/2006 Date
	South Vacuum 262 1980 FSL, 710 FWL •			¹⁸ 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

 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

Mull, Donna, EMNRD

From: Phillips, Dorothy, EMNRD
To: Mull, Donna, EMNRD
Cc:
Subject: RE: Financial Assurance Requirement
Attachments:

Sent: Mon 3/6/2006 11:40 AM

Okay

From: Mull, Donna, EMNRD
Sent: Monday, March 06, 2006 11:12 AM
To: Phillips, Dorothy, EMNRD
Subject: Financial Assurance Requirement

Dorothy, These operators have APD intent to Drill, Deepen, Re-Entry:

Paladin Energy Corp (164070)
 Energen Resources Corp (162928)
 XTO Energy Inc (5380)
 Northstar Operating Co (152527)
 Yates Petroleum Corp (25575)
 Manzano Oil Corp (13954)

What is their standing on Financial Assurance Requirement?

Please let me know. Thanks Donna