

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

AUG 2 2 2016

RECEIVED

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

WELL API NO. 30-025-34239
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. E-8176
7. Lease Name or Unit Agreement Name State C
8. Well Number 3
9. OGRID Number 164070
10. Pool name or Wildcat SWD (96101)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3845' GR

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.)
1. Type of Well: Oil Well [] Gas Well [X] Other SWD
2. Name of Operator Paladin Energy Corp.
3. Address of Operator 10290 Monroe Dr., Ste. 301, Dallas, Texas 75229
4. Well Location Unit Letter E : 1550 feet from the North line and 10 feet from the West line
Section 36 Township 13S Range 37E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3845' GR

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 []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM [X]
OTHER: []

SUBSEQUENT REPORT OF:

- REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: Repair tubing leak. [X]

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Repaired leak in plastic coated tubing.

Pulled plastic coated 5-1/2" Packer and 3-1/2" tubing. Inspected and tested tubing on the way out of hole. Changed out bad tubing and redressed packer. RBIH with tubing and re-set packer at 11,860' (within 100' of upper perforations from 11,920' - 11,980'). N/U wellhead. Pressured annulus to 640 psi, and charted test (see attached chart). Resumed SWD operations. Order Number: SWD -1112.

Spud Date: 8/2/2016

Rig Release Date: 8/5/2016

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE V.P. Exploration & Production DATE 8/18/2016

Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132

For State Use Only

APPROVED BY: [Signature] TITLE Dist Supervisor DATE 8/22/2016
Conditions of Approval (if any):

MIDNIGHT

6 AM

7

8

9

10

11

NOON

6 PM

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Michael Horn

DATE Aug 5-2016
BR 2221

HOBBS OCD
8/5/2016
RECEIVED

500#

Random Energy

STATE C #3

30-025-34239
E 36-135-37E

CAS # 16

11/16

OFF 590

Gandy Trucking
60 m/w/Block

640#