

Submit 3 Copies  
to Appropriate  
District Office

STATE OF NEW MEXICO  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
P.O. Drawer DD, Artesia, NM 888210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. <b>30-025-07287</b>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name  <b>Knowles SWD</b>	
8. Well No. <b>002</b>	
9. Pool name or Wildcat	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator <b>Paladin Energy Corp.</b>	
3. Address of Operator <b>10290 Monroe Drive, Suite 301, Dallas, TX 75229</b>	
4 Well Location Unit Letter <b>P</b> : <b>660</b> Feet From Th <b>South</b> Line and <b>660</b> Feet from The <b>East</b> Line Section <b>34</b> Township <b>16S</b> Range <b>38E</b> NMPM Elevation (Show whether DF, RKB, RT, GR, etc)	

Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK	<input checked="" type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
OTHER	<input type="checkbox"/>		<input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK	<input checked="" type="checkbox"/>	ALTRG CSG	<input type="checkbox"/>
COMMENCE DRLG OPNS.	<input type="checkbox"/>	P&A	<input type="checkbox"/>
CSG TST & CMT JOB	<input type="checkbox"/>		<input type="checkbox"/>
OTHER	<input type="checkbox"/>		<input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103

01/27/06 - 02/06/06

MIRU to test well. Found 1 jt tbg w/ hole, 1 bent jt and jts w/ corroded pins. PU 4 new jts IPC 2-3/8" tbg. Ran in hole w/ 191 jts + pkr, o/o entry guide. EOT @ 5957.20'. Well still would not hold pressure. POW w/tbg and pkr, did not have pkr, RIW w/ 28 stands, latch onto pkr. POW w/pkr. RIH w/186 jts set RBP @ 5955'. Load and tst RBP to 530#, held OK. Load and tst annulus, held OK RU hot oil truck to load and test annulus for integrity test. NMOCD did not witness test. Test to 420# for 30 min, charted. Chart attached.

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

SIGNATURE Ann Westberry TITLE Manager, Corporate Support DATE 07/21/06

TYPE OR PRINT NAME Ann Westberry TELEPHONE NUMBER 214-654-0132 X4  
(This space for State Use)

APPROVED BY Larry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUL 25 2006

CONDITIONS OF APPROVAL, IF ANY:

