

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

WELL API NO.  
30-025-03136

5. Indicate Type of Lease  
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
Reeves '26'

8. Well Number 3

9. OGRID Number  
164070

10. Pool name or Wildcat  
Reeves Wolfcamp South

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 ☐ Other

2. Name of Operator  
Paladin Energy Corp.

3. Address of Operator  
10290 Monroe Drive, Suite 301, Dallas, Texas 75229

4. Well Location

Unit Letter O : 660 feet from the South line and 1980 feet from the East line  
Section 26 Township 18-S Range 35-E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3860'

Pit or Below-grade Tank Application ☐ Closure ☒

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mft Below-Grade Tank: Volume bbls; Construction Material Synthetic

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: New Completion - Re-entry ☒

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.

7/31/2006 - 12/15/2006

MIRU, excavated and tied the 11-3/4" and 8-5/8" casing strings back to surface. Installed BOP's & re-entered Reeves 26 #3 well (previously P&A'd 2-7-62). Drilled out cement plugs through 8-5/8" casing down to 3801'. Cleaned & circulated casing, tested casing to 500 psi, tested OK. Entered open hole and cleaned out cement to top of 5-1/2" production casing at 8,740'. Washed over 5-1/2", dressed casing stub. R/U casing crew, RIH w/ 218 jnts 5 1/2-17# casing, catch casing at 8,740'. Set bowl with 30k tension, R/U pump and test to 500 psi(ok), R/D casing crew, N/D BOP, Set slips with 15k tension (90,000), Cut off casing, Installed Well head, Tested tie-back connection to 500 psi, held OK. Cleaned & drilled out 7-7/8" hole to 11,665'. Set CIBP at 10,140'. Well began to flow back. Placed well on test through existing perforations in Wolfcamp from 9,896-10,056'. Acidized with 2,500 bbls. 15% HCL. Installed rod pumping equipment and placed well on production.

Initial 24 hr. test on 12/15/06: 8 BOPD, 20 MCFPD, 0 BWPD, GOR 2500.

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE David Plaisance TITLE VP Exploration & Production DATE 2/23/2006

Type or print name David Plaisance

E-mail address: dplaisance@paladinenergy.com

Telephone No. 214-654-0132

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE MAR 13 2007

Conditions of Approval (if any):