

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. 30-025-05092

5. Indicate Type of Lease
STATE ☒ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
J.L. Reed

8. Well Number 2

9. OGRID Number 164070-

10. Pool name or Wildcat
King Devonian

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 Dr., Suite 301
Dallas, Texas 75229

4. Well Location

Unit Letter A : 660 feet from the North line and 660 feet from the East line
Section 35 Township 13S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3843' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Steel Tank Depth to Groundwater 60 Distance from nearest fresh water well 1 mile Distance from nearest surface water 1 mile +

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls Construction Material

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.

Plug Devonian and Wolfcamp Perforations. T&A Intermediate casing for sidetrack back to the Devonian Formation.

- 1.) MIRU, GIH with tubing and packer, set packer at 9,200' (+,-), pump 300 sacks of cement and fill casing down through covering Wolfcamp perms from 9,248-855'.
- 2.) Continue pumping through 2-7/8" packer at 9,915' to CIBP at 12,269' covering Devonian perms from 12,015-074'. POOH with packer and tubing.
- 2.) GBIH with tubing and set a 2nd 100' cement plug from 7,000-7,100', POOH with tubing, WOC.
- 3.) Cut and pull 5-1/2" casing at 5,500' and set a 3rd 100' cement plug (in & out of 5-1/2" stub) from 5,550-5,450'
- 4.) Set CIBP in 7-5/8" intermediate casing at 3,700'. Test Casing to 500 psi. T& A wellbore.

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 [Signature] TITLE VP Exploration & Production DATE 10/29/2007

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: [Signature] OC FIELD REPRESENTATIVE II/STAFF MANAGER
Conditions of Approval (if any):

DEC 12 2007