

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. 30-025-38809 /

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 7 /

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 : 910 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.)
3850' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Drlg Depth to Groundwater 75' Distance from nearest fresh water well 1000'+ Distance from nearest surface water 1000'+

Pit Liner Thickness: 12 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: Cement Intermediate casing ☒

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.

04/23/08 - 04/24/08

RU casing crew and ran 109 jts 8 5/8", 32#, J-55 casing to 4,612.43", circ and condition mud. R/U Schlumberger to cement. Lead w/1650 65:35 (C:Poz) sks cement., tail 245 sks "C" cement. Float Held, OK. N/D BOP, jet pits, rough cut and final cut casing. Set slips w/130k, install B section, NU BOP, NU choke line, Test BOP. TIH, tag cement at 4342'. Drill cement 4342'-4585'. Test casing to 1000#, OK. Drill cement and float shoe. Drill ahead.

RECEIVED

MAY 27 2008

HOBBS OCD

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

SIGNATURE Ann Westberry TITLE Manager, Corporate Support DATE 05/23/08

Type or print name Ann Westberry E-mail address: awestberry@paladinenergy.com Telephone No. 214-654-0132 X4

For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUN 05 2008

Conditions of Approval (if any): Mud Top of cement! Chris Williams