

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 888210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

STATE OF NEW MEXICO

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--|---|-------------------------------------|
| 1 Operator Name and Address PALADIN ENERGY CORP. 10290 Monroe Drive, Suite 301 Dallas, Texas 75229 | | 2 OGRID Number 164070 |
| | | 3 API Number 30-025-03152 |
| 4 Property Code 22557 | 5 Property Name South Vacuum Unit | 6 Well No. 35 - #3 |

7 Surface Location

| UL or lot No. | Section | Township | Range | Lot. Ind | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|-----------|-------------|-------------|----------|---------------|------------------|---------------|----------------|------------|
| C | 35 | 18-S | 35-E | | 660' | North | 1980 | West | Lea |

8 Proposed Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot. Ind | Feet from the | North/South Line | Feet from the | East/West Line | County |
|--|---------|----------|-------|----------|--------------------|------------------|---------------|----------------|--------|
| 9 Proposed Pool 1 Wildcat; Vacuum, South Mckee | | | | | 10 Proposed Pool 2 | | | | |

| | | | | |
|-------------------------------|-------------------------------------|---|--------------------------------|---|
| 11 Work Type Code D | 12 Well Type Code 06 | 13 Cable/Rotary Rotary | 14 Lease Type Code 5 | 15 Ground Level Elevation 3870' |
| 16 Multiple No | 17 Proposed depth 14,000' | 18 Formation Vacuum, Mckee S. | 19 Contractor | 20 Spud Date 11/30/2003 |

21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|--------------|---------------|
| 17-1/2 | 13-3/8 | 48# | 437' | 450 | Sur |
| 12-1/4 | 9-5/8 | 40# | 3,800' | 1300 | |
| 8-3/4 | 5-1/2 | 20 & 17# | 11,726 | 426 | 8250' |
| Liner | 3-1/2 | 11.2 | 14,000 | 1500 | 11,550' |

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Squeeze Present Vacuum Devonian South perforations from 11592-616'.

Drill out squeeze perfs & drill through 5-1/2" casing shoe at 11,726'.

Drill 4-1/2" hole and deepen wellbore from 11,726' to 14,000' (+,-), run open hole logs, set 3-1/2"

liner from 11,550' to 14,000', cement liner, perforate (possibly perform frac) and produce Vacuum, Mckee South gas sand according to log.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

BOP - 6" Hydraulic Dual Ram (5M), Blind & Pipe

OIL CONSERVATION DIVISION

47 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *David J. Plaisance*

Printed name: **David Plaisance**

Title: **VP Exploration & Production**

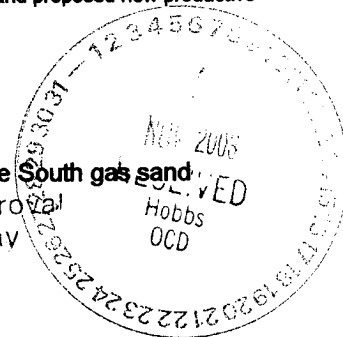
Date: **11/3/03** Phone: **214-654-0132**

Approved by:

Title: **PETROLEUM ENGINEER**

Approval Date: **NOV 13 2003** Expiration Date:

Conditions of Approval:

Attached ☐

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, 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 & Natural Resources Department

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

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-025-03152 | ² Pool Code ✓ | ³ Pool Name <i>Wildcat</i> , Vacuum, McKee South |
| ⁴ Property Code 22557 | ⁵ Property Name South Vacuum Unit | ⁶ Well Number 35 - #3 |
| ⁷ OGRID No. 164070 | ⁸ Operator Name Paladin Energy Corp. | ⁹ Elevation 3,870' |


¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|------------------------|------------------------|---------------|
| UL or lot no. C | Section 35 | Township 18-S | Range 35-E | Lot Idn | Feet from the 660' | North/South line North | Feet from the 1980' | East/West line West | County Lea |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|------------------------|------------------------|---------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Dedicated Acres 320 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | |
|--|--|--|--------------------------|--|
| | South Vacuum 35-1 660 FNL, 1980 FWL | | <u>Sec 35, T18S, 35E</u> | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature |
| | | | | David Plaisance Printed Name VP Exploration & Production Title 11/3/2003 Date |
| | | | | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number |