

DISTRICT I

STATE OF NEW MEXICO

Form C-101

P.O. Box 1980, Hobbs, NM 88240

Energy, Minerals and Natural Resources Department

Revised October 18, 1994

DISTRICT II

P.O. Drawer DD, Artesia, NM 888210

Instructions on back

Submit to Appropriate District Office

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State Lease - 6 Copies

Fee Lease - 5 Copies

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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
4 Property Code 15218 32671		3 API Number 30-025-00110
5 Property Name New Mexico BH State NCT-1		6 Well No. 4

7 Surface Location

UL or lot No D	Section 11	Township 12-S	Range 32-E	Lot. Ind	Feet from the 990	North/South Line North	Feet from the 990	East/West Line West	County Lea
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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
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9 Proposed Pool 1

Caprock, Devonian East

10 Proposed Pool 2

Caprock, East Penn & Wolfcamp NW

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code P	15 Ground Level Elevation 4375'
16 Multiple No	17 Proposed depth 12,210'	18 Formation Devonian	19 Contractor	20 Spud Date 11/10/2008

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#	338'	350	
11"	8-5/8"	32#	3635'	2300	
7-7/8"	5-1/2"	17#	11,215'	400	

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.

1. MIRU and POOH w/ tbg. GiH with bridge plug and packer. Set BP @ 10,050', packer @ 9,700'. Squeeze Penn perforations @ 9,817-878', 9,916-980' with 100 sacks cement.
2. Drill out cement to retrievable bridge plug, POOH. Test squeeze. GIH and retrieve bridge plug.
3. GIH with bit & scraper, clean to bottom @ 12,235'. POOH.
4. GIH with packer and tubing, set packer at 11,150', acidize Devonian open hole from 12,215-235' with 3,500 gal 15% HCL.
5. POOH with tubing and packer. GIH with electrical submersible pump assembly. Place well on production in Devonian.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

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		OIL CONSERVATION DIVISION	
Signature: <i>David Plaisance</i>		Approved by: <i>[Signature]</i>	
Printed name: David Plaisance		Title: PETROLEUM ENGINEER	
Title: VP Exploration & Production		Approval Date: NOV 17 2008 Expiration Date:	
Date: 11/10/2008	Phone: 214-654-0132	Conditions of Approval: Attached <input type="checkbox"/>	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Artesia, NM 88210
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-00110	² Pool Code 8930	³ Pool Name Caprock, Devonian East
⁴ Property Code 15218	⁵ Property Name New Mexico BH State NCT 1	⁶ Well Number 4
⁷ OGRID No. 164070	⁸ Operator Name Paladin Energy Corp.	⁹ Elevation 4375'

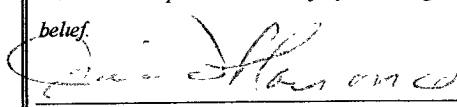
¹⁰ Surface Location

UL or lot no. D	Section 11	Township 12	Range 32E	Lot Idn	Feet from the 990	North/South line North	Feet from the 990	East/West line West	County Lea
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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 40	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

State BH #4 990FNL, 990 FWL			<u>Sec 11, T12S, 32E</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 Plasiance Printed Name VP Exploration & Production Title Date 11/10/2008
				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