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12/5/2008. YMB

Submit 2 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  
October 25, 2007

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

WELL API NO. 30-025-05097	✓	✓	✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	✓		
6. State Oil & Gas Lease No. E-8176			
7. Lease Name or Unit Agreement Name ✓ New Mexico State "C" ✓			
8. Well Number 002	✓	✓	
9. OGRID Number 164070	✓		
10. Pool name or Wildcat King Wolfcamp	✓		

<p>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.)</p>		
<p>1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other ✓</p>		
<p>2. Name of Operator Paladin Energy Corp.</p>		
<p>3. Address of Operator 10290 Monroe Street, Suite 301. Dallas, TX 75229</p>		
<p>4. Well Location Unit Letter <u>D</u> : <u>990</u> feet from the <u>North</u> line and <u>440</u> feet from the <u>West</u> line Section <u>36</u> Township <u>13S</u> Range <u>37E</u> NMPM _____ County <u>Lea</u></p>		
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3846'</p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>          TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>          PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>          COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/>          CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p><input checked="" type="checkbox"/> Location is ready for OCD inspection after P&amp;A</p>	

- ☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- ☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- ☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. All INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- ☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- ☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- ☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- ☒ All other environmental concerns have been addressed as per OCD rules.
- ☒ Pipelines and flow lines have been abandoned in accordance with 19.15.9.714.B(4)(b) NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection. If more than one inspection has to be made to a P&A location because it does not meet the criteria above, a penalty may be assessed.

SIGNATURE Ann Westberry TITLE Manager, Corporate Support DATE 11/26/08

TYPE OR PRINT NAME Ann Westberry E-MAIL: awestberry@paladinenergy.com PHONE: 214-654-0132 X4  
For State Use Only

APPROVED BY: Malety Brown TITLE Malety Brown DATE 12/5/2008  
Conditions of Approval (if any):

COMPLIANCE OFFICER