

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

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

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JUN 12 2009

2040 Pacheco St.
Santa Fe, NM 87505

HOBBSSOCD

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 45218 32671						5 Property Name New Mexico BH State NOT	
6 Well No. 4						3 API Number 30-025-00110	
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
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 Caprock, Wolfcamp East				10 Proposed Pool 2			
11 Work Type Code P		12 Well Type Code O		13 Cable/Rotary Rotary		14 Lease Type Code P S	
15 Ground Level Elevation 4375'		16 Multiple No		17 Proposed depth 12,210'		18 Formation Devonian	
19 Contractor		20 Spud Date 6/9/2009					
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. (Devonian open hole interval from 12,215-235' are unproductive -tested 100% water.) MIRU on location. N/U BOP's, POOH with tubing. Set 5-1/2" CIBP to P&A Devonian perfs at 11,000', test bridge plug to 500 psi for 30 minutes, Set 2 nd 5-1/2" CIBP to P&A Strawn perforations at 9,600', test bridge plug to 500 psi for 30 minutes, pull up and displace casing with 2% HCL water from 8,000-9,600'. Perforate Caprock, East-Wolcamp formation (according to Neutron log) from 8,950-8,990', perform ball sealer acid job with 3500 gal. 15% HCL acid, swab back and test. If insufficient flow, set CIBP at 8,920' and repeat above procedure with perforations from 8,700-8,740' and 8,840-8,880'. If again insufficient flow, set CIBP at 8,680' and repeat above procedure with perforations from 8,600-8,630, 8,400-8,460. *co-mingle all zones as per pressure and production compatibility.							
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: <i>David Plaisance</i> Printed name: David Plaisance Title: VP Exploration & Production Date: 6/9/2009 Phone: 214-654-0132				OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: PETROLEUM ENGINEER Approval Date: SEP 02 2009 Expiration Date: Conditions of Approval: Attached <input type="checkbox"/>			

Permit Expires 2 Years From Approval Date Unless Drilling Underway Plugback

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

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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 30-025-00110	² Pool Code 9310	³ Pool Name Caprock,; Wolfcamp, East
⁴ Property Code 15248 32671	⁵ Property Name New Mexico BH State ACT 1	⁶ Well Number 4
⁷ OGRID No. 164070	⁸ Operator Name Paladin Energy Corp.	⁹ Elevation 4375'

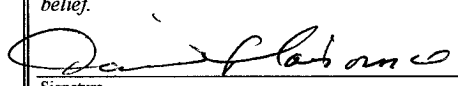
¹⁰ Surface Location

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 6/9/2009
				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