

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

Form C-103  
June 19, 2008

|   |  |   |
|---|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.) |  | WELL API NO. <u>31239</u><br>30-025-3439  |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> SWD  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Paladin Energy Corp.   |  | 6. State Oil & Gas Lease No.<br>E-8176  |
| 3. Address of Operator<br>10290 Monroe Dr., Ste. 301, Dallas, Texas 75229   |  | 7. Lease Name or Unit Agreement Name<br>State C   |
| 4. Well Location<br>Unit Letter E: 1550 feet from the North line and 10 feet from the West line<br>Section 36 Township 13S Range 37E NMPM Lea County  |  | 8. Well Number 3  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3845' GR  |  | 9. OGRID Number 164070  |
|   |  | 10. Pool name or Wildcat<br>SWD (96101) <u>Devonian</u>   |

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

|  |   |
|--|---|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>DOWNHOLE COMMINGLE <input type="checkbox"/><br>OTHER: Add Open Hole Section <input checked="" type="checkbox"/> | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>OTHER: <input type="checkbox"/> |
|--|---|

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.

Drill out plug and cement in casing and existing Devonian open hole section from 12,015' to 12,245'. Drill additional open hole Devonian to 12,350' (+,-) as per approved **Order Number: SWD -1112**. Set packer at 11,820 (+,-) and resume SWD operations.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Plaisance TITLE V.P. Exploration & Production DATE 10/1/2009

Type or print name David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132

**For State Use Only**

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 06 2009

Conditions of Approval (if any):