

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

RECEIVED

MAY 24 2010

HOBBSDO

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-03135

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

Reeves 26

8. Well Number

2

9. OGRID Number

164070

10. Pool name or Wildcat

Vacuum Devonian, South

## 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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

Paladin Energy Corp.

3. Address of Operator

10290 Monroe Dr., Ste. 301, Dallas, Texas 75229

4. Well Location

Unit Letter N : 660 feet from the South line and 1980 feet from the West lineSection 26Township 18SRange 35E

NMPM

Lea

County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3859' RKB

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

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: Added Perfs in Devonian Formation ☒

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.

Rigged up on location. N/D wellhead, N/U BOP's, POOH with tubing & sub pump equipment. RIH with tubing and 4-1/2" bit and scrapper to 11,570'. Circulated off bottom, POOH. R/U electric line and WIH with 3-1/8" perforating gun. Added perforations to top of Devonian formation from 11,438-454' & 11,468-478' 2SPF. POOH w/ e-line. (Original Perforations - 11,503-528')

Ran in hole with tubing and packer, set packer at 11,380' (+,-). Rigged up acid pump truck, performed acid job with approx. 5000 gal. 15% NEFE Acid. Rigged up swab unit and swabbed back acid. Released packer, POOH, lay down tubing & packer.

Picked up ESP setting and ran in hole. R/D BOP's, N/U wellhead, placed well on production. Initial 24 hr. rate 158 BOPD, 4,000 BWPD, 47 MCFPD.

Spud Date:

4/15/2010

Rig Release Date:

5/1/2010

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

SIGNATURE

TITLE V. P. Exploration &amp; Production

DATE 5/21/2010

Type or print name David Plaisance

E-mail address: dplaisance@paladinenergy.com

PHONE: 214-654-0132

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

MAY 25 2010

Conditions of Approval (if any):