

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

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

WELL API NO. 30-025-36789
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E 1533-3
7. Lease Name or Unit Agreement Name South Vacuum Unit
8. Well Number 354
9. OGRID Number 16476 164870
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., Suite 301, Dallas, Texas 75229

4. Well Location

Unit Letter _____ G : 1750 feet from the North line and 1610 feet from the East line
Section 35 Township 18-S Range 35-E NMPM Lea County

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

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Add Perforations in Devonian Formation ☒

OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- Rig up pulling unit, POOH with tubing and sub pump assembly. GBIH with 7" Retrievable Bridge Plug and set at 11,556' (isolate Lower existing Devonian perfs from 11,566-576', 11630-640', 11650-60').
- R/U e-line and perforate 7" casing for production in Devonian formation from 11,470-540', 70' of total perforations, 2SPF. R/D e-line, GIH with 2-7/8" workstring and packer.
- Acidize Devonian perforations with 5000 gallon 15% Acid. Swab back. Release work string, retrieve Bridge Plug, POOH with workstring, packer & Bridge Plug. GIH with electrical submersible pump assembly and set according to design. Place well back on production.

and 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

V.P. Exploration & Production

TITLE

DATE

9/7/10

Type or print name

E-mail address:

PHONE:

dplaisance@paladinenergy.com

214-654-0132

for State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

SEP 07 2010

Conditions of Approval (if any):