

Submit 1 Copy 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 13, 2009

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

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-025-01047                                                                        |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.                                                                        |
| 7. Lease Name or Unit Agreement Name<br>W.E. Mathers A                                              |
| 8. Well Number<br>1                                                                                 |
| 9. OGRID Number<br><del>16470</del> 164070                                                          |
| 10. Pool name or Wildcat<br>Bagley Lower Penn <b>&lt;GRS&gt;</b>                                    |

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 B : 660 feet from the North line and 1980 feet from the East line  
Section 3 Township 12-S Range 33-E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4257' DR

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 ☐

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.

*CAP w/35' cmt*  
R/U pumping unit. Set CIBP at 8,410' above Top perforation at 8,490', fill Casing with fluid, test 5-1/2" casing to 500# for 30 minutes. Record chart. *ARR. Fluid*

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: 9/17/10  
Type or print name: David Plaisance E-mail address: dplaisance@paladinenergy.com PHONE: 214-654-0132

For State Use Only

APPROVED BY: [Signature] TITLE: STAFF MGR DATE: 9-16-10  
Conditions of Approval (if any):

Conditions of Approval: **Notify OCD district office 24 hours prior to running the TA pressure test.**

dm