

DISTRICT I

1625 N.Frueh Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Atesia, NM

DISTRICT III

1000 Rio Brazos Road, 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

May 27, 2004

RECEIVED

SEP 13 2010

HOBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to Appropriate District Office

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 24970 9120	5 Property Name H.C. Posey A	3 API Number 30-025-00103
9 Proposed Pool 1 Caprock Wolfcamp, East		6 Well No 6
10 Proposed Pool 2		

7 Surface Location

UL or lot No H	Section 11	Township 12-S	Range 32-E	Lot. Ind	Feet from the 1650	North/South Line North	Feet from the 990	East/West Line East	County Lea
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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
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Additional Well Information

11 Work Type Code P	12 Well Type Code O	13 Cable/Rotary Rotary	14 Lease Type Code P	15 Ground Level Elevation
16 Multiple No	17 Proposed depth 8,650'	18 Formation Wolfcamp	19 Contractor	20 Spud Date
Depth to Groundwater		Distance from nearest fresh water well 1/2 mile		Distance from nearest surface water: more than 1500 feet
Pit. Liner Synthetic <input type="checkbox"/>	Clay <input type="checkbox"/>	Pit Volume <input type="checkbox"/>	Drilling Method: Brine <input type="checkbox"/>	Fresh Water <input type="checkbox"/>
Closed-Loop System <input checked="" type="checkbox"/>			Disel/Oil-Based <input type="checkbox"/>	Gas/Air <input type="checkbox"/>

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks Cement	Estimated TOC
1 completion report					

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.

1. MIRU and POOH with rods, pump tubing. Set a CIBP at 8,650' and isolate Penn and Wolfcamp Perforations. (Present Plug back depth is 9,800' with CIBP, Penn Perforations at 8,740-90' - unproductive.)
2. Perforate Wolfcamp formation from 8,334-54', 8,364-400', 8,410-50' acidize with 5000 Gal. 15% HCL.
3. Test Wolfcamp perforations. If economical production established run well setting, Rod pumping unit and resume production.

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plug back**

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. I further certify that the drill pit will be constructed according NMOCD guideline X, a general permit , Or an (attached) alternative

OCD-approved plan

Printed name. David Plaisance

Title:

V P Exploration & Production

E-mail Address

dplaisance@paladinenergy.com

Date 3/21/2006

Phone: 214-654-0132

OIL CONSERVATION DIVISION

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date:

SEP 22 2010

Expiration Date:

Conditions of Approval:

Attached ☐

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

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 30-025-00103	² Pool Code 9310	³ Pool Name Caprock, Wolfcamp East
⁴ Property Code	⁵ Property Name H.C. Posey 'A'	⁶ Well Number 6
⁷ OGRID No. 164070	⁸ Operator Name Paladin EnergyCorp.	⁹ Elevation 4349'


¹⁰ Surface Location

UL or lot no. H	Section 11	Township 12	Range 32E	Lot Idn	Feet from the 1650	North/South line North	Feet from the 990	East/West line East	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

¹⁶	<u>Sec 11, T12S, 32E</u>	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature David Plasiance Printed Name VP Exploration & Production Title 9/9/2010 Date
	Posey A-6 1650FNL, 990 FEL •	
		¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number