

Office

Energy, Minerals and Natural Resources

October 13, 2009

District I

1625 N French Dr., Hobbs, NM 88202

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

87505

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SEP 28 2010
HOBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-08007

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

New Mexico State BH NCT 1

8. Well Number

1

9. OGRID Number

16470

164870

10. Pool name or Wildcat

Caprock Wolfcamp, East

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 C : 660 feet from the North line and 1980 feet from the West lineSection 11 Township 12-S Range 32-E NMPM Lea County

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

4371' 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: Temporarily Abandon ☒

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.

R/U pumping unit. Pull tubing and packer. Set CIBP at 8,270' (above Top perforation at 8,360'), dumped 40' of cement on top of CIBP. Filled Casing with fluid, tested 5-1/2" casing to 500# for 30 minutes. Recorded chart. Tested OK

This Approval of Temporary
Abandonment Expires 9-23-2015

Spud Date:

9/16/2010

Rig Release Date:

9/21/2010

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

9/27/2010

Type or print name

E-mail address:

dplaisance@paladinenergy.com

PHONE:

214-654-0132

For State Use Only

APPROVED BY:

TITLE

STAFF MGR

DATE

9-29-10

Conditions of Approval (if any):

START

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SEP 28 2010

HOBSUCD

Graphic Controls LLC
(6.375 ARC LINE GRAD.)

30-255-08007

Paladin State H/T #1

DATE 9-23-10
MCI P 0-1000-8-96MIN

PRINTED IN U.S.A.

Company Paladin Well No: #1
Lease: BHT State BH
Date of Test: _____ model _____ depth _____
Packer make _____ 15 min _____ 30 min _____
Tubing Pressure: 0 min _____ 15 min _____ 30 min _____
Casing Pressure: 0 min _____ 15 min _____ 30 min _____
Surf Gg Pressure: 0 min _____ 15 min _____ 30 min _____
1000 lb spring 96 min hr chart 96 min of track
Service Company: Basic #1207
Driver/Supervisor: Donald Thomas
Company Representatives: _____
RRC Required: Y N Witnessed by RRC: Y N