

RECEIVED

JAN 31 2011

HOBBSUCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-39992 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B1 141
7. Lease Name or Unit Agreement Name State EC C ✓
8. Well Number 4 ✓
9. OGRID Number 164070 ✓
10. Pool name or Wildcat Caprock; San Andres ✓

<p>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.)</p>	
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/></p>	
<p>2. Name of Operator Paladin Energy Corp. ✓</p>	
<p>3. Address of Operator 10290 Monroe Drive, Ste 301, Dallas, Texas 75229</p>	
<p>4. Well Location Unit Letter <u>G</u> : <u>1980</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>11</u> Township <u>12S</u> Range <u>32E</u> NMPM County <u>Lea</u> ✓</p>	
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4346</p>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

01/25/11 MIRU, drilled 2 hours.

01/26/11 Drilled to 412', circulated hole clean. TOH w/ drill pipe. TIH w/ 420', 9-5/8", 36 # casing. RU cementers pumped 200 sks cement. Circulated 80 sks cement to pit. Cement to surface.

Spud Date:

01/25/11

Rig Release Date:

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

SIGNATURE

Ann Westberry

TITLE Manager, Corporate Support

DATE 01-26-11

Type or print name Ann Westberry

E-mail address: awestberry@paladinenergy.com PHONE: 214-654-0132 X4

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

FEB 03 2011

Conditions of Approval (if any):