

Submit 3 Copies
to Appropriate
District Office

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 888210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30.025-00109
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-1041
7. Lease Name or Unit Agreement Name	
NM 'BB' NCT-1	
8. Well No.	1
9. Pool name or Wildcat	SwD; E. Caprock Devonian 96101

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER: SWD
2. Name of Operator	Paladin Energy Corp.
3. Address of Operator	10290 Monroe Dr., Ste. Ste 301, Dallas, TX 75229
4 Well Location	
Unit Letter	N 1989 Feet From The South Line and 1985 Feet from The West Line
Section	11 Township 12-S Range 32-E NMPM Lea County
Elevation	(Show whether DF, RKB, RT, GR, etc) 4373' DF

Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK	<input type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
OTHER	<input type="checkbox"/>		

SUBSEQUENT REPORT OF:

REMEDIAL WORK	<input type="checkbox"/>	ALTRG CSG	<input type="checkbox"/>
COMMENCE DRLG OPNS.	<input type="checkbox"/>	P&A	<input type="checkbox"/>
CSG TST & CMT JOB	<input type="checkbox"/>		
OTHER	Converted to SWD Well	<input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103

See attached daily report summary for details.

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

SIGNATURE	<u>David Plaisance</u>	TITLE	Production Manager	DATE	
				214-654-0132	
TYPE OR PRINT NAME	David Plaisance			TELEPHONE NO.	
(This space for State Use)					

APPROVED BY		TITLE		DATE	
-------------	--	-------	--	------	--

CONDITIONS OF APPROVAL, IF ANY:

SLG Non-Well P&A 2828265
B

PAI ADIN ENERGY CORP.
Well Servicing, Workover & Completion Record

LEASE	STATE 'BB' NCT	WELL NO	1	DATE(S)	9/6/2000 - 12/20/2000
FIELD	EAST CAPROCK	COUNTY	LEA	STATE	NM
CONTRACTOR		SUPERVISOR	HORN		
WORK SUMMARY	Convert to SWD	AFE NUMBER	ECAPSWD002		

9/6/00 Day 1
MI & RU Key well service to pull casing. TIH/W 5-1/2" casing cutter and 100 jts 2-7/8" tubing.
SDFN

9/7/00 Day 2
TIH/w 66 jts 2-7/8" tubing. Cut casing at 5324'. TOH/w tubing and casing cutter. TIH/w 5-1/2" grapple and 115 jts 2-7/8" American open hole drill pipe. Caught 5-1/5" casing at 3550'. RU casing jacks, worked casing from 100,000# to 250, 000#, could not pull casing free. Pulled 210,000# on casing and set slips.
SDFN

9/8/00 Day 3
Open well, found 210,000# on slips. Worked casing for 5 hr's. RU Rotary wireline, free pointed casing at 100% free at 4225' and casing stuck at 4250'. Released casing spear and TOH/w tubing. SDFN

9/9/00 Day 4
TIH/W 5-1/2" casing spear, jars, 6-4" drill collars, accelerator jars, bumper sub, and tubing. Caught fish, and jarred for six hours. RU wireline and free pointed casing at 4225' 100% free, 4250' 100% stuck. TOH/w tubing and tools. SDF Weekend

9/12/00 Day 5
09/10/00 - 09/11/00 Shut down for Weekend
RU wireline, TIH/w 4-9/16 chem cutter. Could not get pass 3585'. TIH/w 4-1/5" jet cutter, cut 5-1/2" casing at 4212'. TIH/w 5-1/2" casing spear, bumper sub, and tubing. Caught fish, could not work casing free. TOH/w tubing and tools. TIH/w 5-1/2" spear. Bumper sub, jars, 6-4" drill collars, and tubing. Caught fish and jarred casing free. TOH/w tubing, tools and 22 jts 5-1/2" casing. SDFN

9/13/00 Day 6
TIH/w 7-3/4" shoe, 5-jts 7-3/8" wash pipe, bumper sub, jars, 6- 4" drill collars and 125 jts 2-7/8" drill pipe. Tagged top of fish at 4212', washed from 4214' to 4368'. Found four hard spots. TOH/w drill pipe.
SDFN

9/14/00 Day 7
Laid down tools and wash pipe. TIH/w 5-1/2" spear, jars , drill collars, and 131 jts drill pipe. Caught fish, jarred on fish for 3 hours. RU wireline truck, found casing free at 5500'. Attempted to back off casing at 5410'. Could not get drill pipe to hold left hand torque. Released spear and TOH/w 30 jts drill pipe. SDFN

9/15/00 Day 8
TOH/w tubing and tools. RU wire line, cut casing at 5414'. TIH/ 5-1/2" spear, jars, drill collars, and tubing. Caught fish, pulled 30', casing stuck, worked jars for 2 hrs, freed casing. TOH/w tubing and tools, laid down 33 jts 5-1/2" casing. SDFN

PAI ADIN ENERGY CORP.
Well Servicing, Workover & Completion Record

LEASE	STATE 'BB' NCT	WELL NO	1	DATE(S)	9/6/2000 - 12/20/2000
FIELD	EAST CAPROCK	COUNTY	LEA	STATE	NM
CONTRACTOR		SUPERVISOR	HORN		
WORK SUMMARY	Convert to SWD	AFE NUMBER	ECAPSWD002		

9/16/00 Day 9
TIH/w 7-3/4" shoe, jars, 6-4" drill collars and 168 jts 2-7/8" tubing. Tagged fill at 5280', washed down to casing stub at 5419'. Milled an casing stub from 5419' to 5421'. Circulated hole clean. TOH/w tubing and tools. SDFN

9/17/00 Day 10
TIH/w 6-9/16" x 5-1/2" Bowen casing patch with lead seal, 135 jts 5-1/2" K grade casing. Washed over casing stub at 5420'. Pulled casing in tension with 30,000#, set casing slips. Cut off casing and set casing well head. Tested casing well head, tested ok. SDFN, SD for Sunday

9/19/00 Day 11
TIH/w 4-5/8" mill, 6pcs. 3-1/2' drill collars, and 168 jts 2-7/8" tubing. Dressed casing patch. TIH/w 160 jt 2-7/8" tubing. Tagged TD at 10,989', mill plugged, could not pump down tubing. TOH/w 180 jts 2-7/8' tubing. SDFN

9/20/00 Day 12
TOH/W tubing, drill collars and mill. Found mill and drill collars plugged with formation from casing repair. TIH/W bridge plug, packer , SN and 177 jts tubing. Set bridge plug at 5500' and packer at 5469'. Tested bridge plug to 560# for 30 min. Tested ok. Moved packer to 5370', tested casing patch to 500# for 30 min. Tested ok. Released packer and bridge plug. TIH/W packer and plug, set packer at 10,890' tested casing to 500# for 30 min. Tested ok. TOH/W tubing, packer and bridge plug. SDFN

9/21/00 Day 13
TIH/w tubing, tagged at 10,890. Circulated hole clean to 11,055. Recovered large formation rocks and frac sand. Circulated hole clean. TOH/W one joint tubing. SDFN

9/22/00 Day 14
TIH/W 1 jt tubing, milled from 11,055' to 11,152'. Recovered rubber, scale, sand, and metal shavings. Could not get past 11,152'. Circulated hole clean. TOH/w tubing, jars, wash pipe and shoe. Found rope socket, 2' x 3/4" pony sub, 20' sinker bar, swab mandrel, and pieces of metal. SDFN

9/23/00 Day 15
TIH/ 4-5/8" shoe, 1 jt wash pipe, 6-3-1/2' drill collars, jars, and 353 jts 2-7/8' tubing. Cleaned from 11,152' to 11,155'. Recovered packer rubbers and metal shavings. TOH/w tbg.and tools. Shoe worn out. SDFN.

PAI ADIN ENERGY CORP.
Well Servicing, Workover & Completion Record

LEASE	STATE 'BB' NCT	WELL NO	1	DATE(S)	9/6/2000 - 12/20/2000
FIELD	EAST CAPROCK	COUNTY	LEA	STATE	NM
CONTRACTOR		SUPERVISOR	HORN		
WORK SUMMARY	Convert to SWD	AFE NUMBER	ECAPSWD002		

9/25/00 Day 16
TIH/w 4-1/2" lead impression block and 2 jts tubing on sand line. Found 2-7/8" pin looking up. TIH/w overshot bumper sub, 6-3-1/2" drill collars, jars, and tubing. Caught fish, Jarred on tubing 4 times. TOH/w tubing and tools. Recovered 2-7/8" packer mandrill, but no slips. SDFN

9/26/00 Day 17
TIH/w 4-1/2" shoe, 1 jt wash pipe, 6-3-1/2" drill pipe, jars and tubing. Service rig broke down, changed out rigs. SDFN

9/27/00 Day 18
Tagged TD at 11,175'. Cleaned to 11,198'. Plugged shoe. TOH/w tubing and tools. Found large rocks and formation plug in shoe. SDFN

9/28/00 Day 19
RU Computalog. TIH/w gamma ray correlation and CCL tool (correlated gamma ray log back to LANE Radioactivity log 6-12-52). Tagged TD at 11,171', logged from 11,171' to 10,900'. Top of DEVONIAN at 11,129'. TIH/W 4 5/8" bit, 6 3-1/2" drill collars, and tubing. Drilled from 11,171' to 11,202'. Recovering cement, circulated hole clean. SDFN

9/29/00 Day 20
Drilled from 11,202' to 11,228'. Bit stopped drilling. TOH/w tubing and bit. Found bit had lost all three cones. SD for weekend

10/03/00 Day 21
9/30/00 to 10/2/00 Shut Down
TIH/w 4-5/8" shoe with catcher, jars, 6pcs 3-1/2" drill collars, and tubing. Tagged at 11,222', cleaned to 11,227'. Could not get passed 11,227'. TOH/w tubing and tools. Found that shoe did not get to TD. SDFN

10/04/00 Day 22
TIH/w 4-1/2" shoe with catcher, jars, 6pcs 3-1/2" drill collars, and tubing. Tagged at 11,222', cleaned to 11,227'. Could not get passed 11,227'. TOH/w tubing and tools. Found that shoe did not get to TD. SDFN

10/05/00 Day 23
TIH/w 4-5/8" string mill , jars, 6pcs 3-1/2" drill collars, and tubing. Tagged at 11,222'. Milled from 11,222' to 11,229', fell out of tight casing, drilled to 11,231'. TOH/w tubing and tools.SDFN

10/06/00 Day 24
TIH/w 4-1/2" shoe , jars, 6pcs 3-1/2" drill collars, and tubing. Tagged at 11,222'. Could not get pass 11,222'. TOH/w tubing and tools. TIH/w 3-3/4" magnet and 2 jts 2-7/8" tubing on sand line. Made 3 runs, recovered pieces of cones and bearings. SDFN

PAUL ADIN ENERGY CORP.
Well Servicing, Workover & Completion Record

LEASE	<u>STATE 'BB' NCT</u>	WELL NO	<u>1</u>	DATE(S)	<u>9/6/2000 - 12/20/2000</u>
FIELD	<u>EAST CAPROCK</u>	COUNTY	<u>LEA</u>	STATE	<u>NM</u>
CONTRACTOR		SUPERVISOR	<u>HORN</u>		
WORK SUMMARY	<u>Convert to SWD</u>	AFE NUMBER	<u>ECAPSWD002</u>		

10/07/00 Day 25
TIH/w 3-3/4" magnet and 2 jts 2-7/8" tubing on sand line. Made 3 runs, recovered pieces of cones and bearings.
TIH/w 4-1/4" four blade drag bit, jars, 6pcs 3-1/2" drill collars and tubing. Tagged at 11,228, drilled to 11,230'.
SDFN

10/08/00 Day 26
TOH/w tubing and bit. TIH/w 4-1/4' L 2 bit, jars, 6pcs 3-1/2" drill collars and 360 jts 2-7/8" tubing.
SDF for weekend

10/10/00 Day 27
TIH/w tubing. Tagged TD at 11,230, drilled for 30 min, did not make any hole. Bit acting like drilling on junk.
TOH/w tubing and bit, found all teeth gone on bit. SDFN

10/11/00 Day 28
RU Key wire line, TIH/w 4" hollow carrier gun, perforated from 11,134' to 11210', 4 spf. All shots fired good.
TIH/w 2-7/8" x 5-1/2" CK packer, SN, and 359 jts 2-7/8" tubing. Tested all tubing to 7000#. SDFN

10/12/00 Day 29
Set packer at 11,034'. RU Dowell, pressured casing to 500#. Pumped 5000 gal 20% hcl acid and 65 bls fsw flush.
Started job at 1.5 bls per min at 4500#, 10 bls acid on perfs,pressure broke back to 1500#, increased rate to 6.5 bls per min. at 1500#. Slowed rate to 3.5 bls per min, pressured decreased to 100#. Pumped 50 bls fsw at 3.5 bls per min. Increased rate to 5 bls per min, pressure increased to 1000#. ISIP 28" vacuum.
Released packer and TOH laying down with 200Jts 2-7/8" tubing. SD

10/13/00 Day 30
TOH laying down tubing and packer. TIH/W 2-7/8" X 5-1/2" Arrow set 1 XL IPC (Plastic Coated) packer, Nickel SN, IPC 40 jts 3-1/2" IPC N-80, 8-rd tubing. SDFN

10/14/00 Day 31
TIH/w 308 jts 3-1/2" N-80 IPC tubing (total 348 jts.). RU pump truck pumped 150 bls packer fluid. Set packer at approximately 11,040', with 8,000# in tension. Tested csg to 400# for 30 min. Tested ok. Shut Down

10/16/00 Day 32
RU Chart recorder, pressured casing to 425# for 90 min. Tested ok. Hooked up well head and flow line.
Waiting on permission to inject.

PA' ADIN ENERGY CORP.
Well Servicing, Workover & Completion Record

LEASE	STATE 'BB' NCT	WELL NO	1	DATE(S)	9/6/2000 - 12/20/2000
FIELD	EAST CAPROCK	COUNTY	LEA	STATE	NM
CONTRACTOR		SUPERVISOR	HORN		
WORK SUMMARY	Convert to SWD	AFE NUMBER	ECAPSWD002		

10/25/01
Received Administrative Order SWD-790-0 approval.

12/20/00
Received Right-of-Way Easement No. 27491 approval.

12/21/00
Began injecting produced water from East Caprock Field. *No wellhead pressure, well taking water on vacuum.