

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

2040 Pacheco St.
Santa Fe, NM 87505

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

WELL API NO	30-025-01020
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	State BT D
8. Well No.	2
9. Pool name or Wildcat	Bagley; Penn

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"/> WELL <input checked="" type="checkbox"/>	GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator	Paladin Energy Corp.
3. Address of Operator	10290 Monroe Drive, Suite 301, Dallas, TX 75229
4 Well Location Unit Letter <u>J</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet from The <u>East</u> Line Section <u>35</u> Township <u>11S</u> Range <u>33E</u> NMPM Lea County Elevation (Show whether DF, RKB, RT, GR, etc)	

Check Appropriate Box to Indicate Nature of Notice, Report, Or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRLG OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CSG TST & CMT JOB <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/>
Re-complete to Devonian Formation	

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

MIRU service rig, RU BOP, TOH tubing. Drill out CIBP at 9,285' and TIH to 10,515', circ hole clean. Circ. Heavy visc. pill across Penn perf from 9,029-405'. Drill second CIBP @ 10,515'. Circ hole clean. Wash over BPs and cut Baker Model "D" packer @ 10,565'. Wash over packer and pull out of hole. PU 5-1/2" csg scraper & clean casing to 10,910' and circ hole clean. Run in hole with work string and packer & perform 5000 gal acid job on existing Devonian perfs 10,671'-10,945'. Swab back acid water. POOH. Set 600 ft., 3-1/2" scab liner across Penn Perforations. RIH w/ test submersible pmp and tubing. Return well to production in Devonian Formation.

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., Production DATE May 20, 2002

TYPE OR PRINT NAME David Plaisance TELEPHONE NO. 214-654-0132

APPROVED BY PAUL F. KAUTZ TITLE PETROLEUM ENGINEER DATE MAY 29 2002

CONDITIONS OF APPROVAL, IF ANY: