

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

HOBBBS OCD RECEIVED FEB 18 2012		WELL API NO. 30-025-40728
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CML EXPLORATION, LLC		6. State Oil & Gas Lease No. 39410
3. Address of Operator P.O. BOX 890 SNYDER, TX 79550		7. Lease Name or Unit Agreement Name PADDY 23 STATE
4. Well Location Unit Letter <u>N</u> : <u>330</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>23</u> Township <u>17S</u> Range <u>33E</u> NMPM County <u>LEA</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4147' GR		9. OGRID Number 256512
		10. Pool name or Wildcat LEAMEX: PADDOCK

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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED COMPLETION REPORT

Spud Date:

10/06/2012

Rig Release Date:

10/27/2012

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

SIGNATURE Nolan von Roeder TITLE Engineer DATE

Type or print name Nolan von Roeder E-mail address: vonroedern@cmlexp.com PHONE: 325-573-1938

For State Use Only

APPROVED BY: Petroleum Engineer TITLE Petroleum Engineer DATE MAR 28 2013
Conditions of Approval (if any):

CML EXPLORATION, LLC
P.O. BOX 890
SNYDER, TX 79549

PADDY 23 STATE NO. 1
Sec. 23, T-17-S, R-33-E
Lea County, New Mexico
Property Code #39410 – API #30-025-40728

DAILY COMPLETION REPORT

- 12/03/12 MIRUPU. Unloaded & racked new 2-3/8" 4.7# J55 tubing. NUBOP. Picked up 2-3/8" tubing from the rack & tripped in the hole to 7080'. Pulled out of the hole & stood back 218 jts of tubing. Rigged up wireline truck. Ran GR/CBL/CCL from PBTB @7326' to 5800', had good cement across pay zones. Top of cement @1870'. Perforated Blinbry (7050-62') 2 spf, 90° phasing. Rigged down wireline truck. Tripped in the hole with packer & tubing to 7085'. Shut well in for the night.
- 12/04/12 Rigged up acid pump truck & broke circulation. Spotted 200 gallons of 15% HCL across perforations. Moved & set packer @6802'. Broke formation down @2800 psi. Established an injection rate of 1.5 BPM @3350 psi. Treated as follows: Pumped 1300 gals of 15% HCL w/NeFe followed by 1000 gals of treated 2% KCL water with 18 ball sealers, did not see any ball action. Pumped another 1500 gals 15% HCL followed by 1000 gals of treated 2% KCL water. Flushed with 31 bbls of 2% KCL water. Average rate & pressure = 3.2 BPM @3650 psi. ISIP = 2770 psi @ 2648 psi after 15 minutes. Opened well up to test tank & flowed back 65 bbls water. Recovered 32 bbls of acid water after 5 runs. Fluid level @3000' from the surface. Shut well in for the night. Load from acid job is 183 bbls, recovered 97 bbls.
- 12/05/12 SITP = 360 psi, FL @1200' from surface. Had 40% oil cut on the 1st run. Continued swabbing. Swabbed dry after 6 runs. Began making a run every hour. Had 300' of entry every hour, 30% oil cut. Last run oil cut = 60%. Recovered 35 bbls of fluid. Shut well in for the night.
- 12/06/12 SITP = 100 psi, FL @4800'. Had 35% oil cut on the 1st run. Pulled from SN & swabbed dry. Released packer & laid down 16 jts of tubing. Pulled out of the hole w/tubing & packer. Rigged up wireline truck. Perforated lower Paddock (6516-24'), (6531-39'), (6542-52') & (6566-71') 2 spf, 90° phasing. Set composite bridgeplug @7010'. Rigged down wireline truck. Tripped in hole with packer & tubing to ±2000'. Shut well in for the night.
- 12/07/12 Continued in the hole with tubing & packer to 6573'. Waited on acid pump truck. Rigged up acid pump & broke circulation with 31 bbls of 2% KCL water. Spotted 200 gals of 15% HCL across perforations. Moved & set packer @6316'. Pressured up on casing & packer to 500 psi, held. Broke formation down on water @3780 psi. Treated well with remaining 3500 gals of 15% HCL NeFe & 90 balls. Treated @3880 psi @2.6 BPM, did not see any ball action. ISIP = 3340 psi down to 2874 psi in 15 minutes. Bled tubing down to test tank. Began swabbing 114 bbl load back. On the 4th run had a 10% oil cut. Continued swabbing. Made a total of 12 runs. Recovered 71 bbls of fluid, fluid level @4400' from the surface on the last 3 runs of the day. Oil cut @50% with good gas show. Shut well in for the weekend.

CML EXPLORATION, LLC
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SNYDER, TX 79549

PADDY 23 STATE NO. 1
Sec. 23, T-17-S, R-33-E
Lea County, New Mexico
Property Code #39410 – API #30-025-40728

DAILY COMPLETION REPORT

- 12/07/12 Continued in the hole with tubing & packer to 6573'. Waited on acid pump truck. Rigged up acid pump & broke circulation with 31 bbls of 2% KCL water. Spotted 200 gals of 15% HCL across perforations. Moved & set packer @6316'. Pressured up on casing & packer to 500 psi, held. Broke formation down on water @3780 psi. Treated well with remaining 3500 gals of 15% HCL NeFe & 90 balls. Treated @3880 psi @2.6 BPM, did not see any ball action. ISIP = 3340 psi down to 2874 psi in 15 minutes. Bled tubing down to test tank. Began swabbing 114 bbl load back. On the 4th run had a 10% oil cut. Continued swabbing. Made a total of 12 runs. Recovered 71 bbls of fluid, fluid level @4400' from the surface on the last 3 runs of the day. Oil cut @50% with good gas show. Shut well in for the weekend.
- 12/10/12 SITP = 350 psi. Flowed 5 bbls of oil to the test tank. 1st swab run had fluid level at 2000' from the surface. Pulled 600' of oil & 800' of water. Continued swabbing. Recovered 30 bbls of fluid with 50% oil cut. Swabbed dry & waited one hour between runs. Had 800' of entry every hour, 90% oil cut. Recovered 41 bbls of fluid. Shut well in for the night.
- 12/11/12 SITP = 180 psi, fluid level @4800' from the surface. Pulled 800' of free oil & 700' of oil, water & gas mix. Made 2 more runs & dried well up. NDBOP & flanged up wellhead. Shut well in. RDMOPU. Waiting on frac.

TUBING DETAIL

194 – jts 2-3/8" tubing
1 – 2-3/8" seat nipple
1 – Model "R" packer @6802'

(FRAC JOB)

- 01/21/13 Rigged up slick wireline truck & ran Static Bottom Hole Pressure Survey with gradient stops. BHP = 2260 psi. Bled well down to half pit, NDWH & NUBOP. Released packer & tripped out of the hole with tubing. SWIFN. Set 4 frac tanks & filled each tank with 500 bbls of fresh water.
- 01/22/13 NDBOP & NU 5K frac valve. Laid steel line to flow back tank. SWINFN

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DAILY COMPLETION REPORT

- 01/23/13 NU Oil States casing saver. Rigged up ProPetro frac equipment. Frac Paddock formation (6516 – 71') down the 5½" casing w/1,000 gals of 15% HCL acid, 55,000 gals 15# gel & 58,000 lbs 20/40 premium sand staged from 0.5 to 3.5 ppg. Included 10,000# of 20/40 SLC resin coated sand on the last stage. Took 6 bbls to load the casing. Broke down @4 bpm & 3200 psi. Treated with Average rate = 40 bpm, Max rate = 41 bpm, Avg psi = 4300 psi, Max psi = 4559 psi. ISIP = 3694 psi, 5 min = 3122 psi, 10 min = 2906 psi, 15 min = 2785 psi. Total load = 1313 bbls. SWIFN. Rigged down all equipment.
- 01/24/13 SICP = 1500 psi. Opened up to test tank with choke set at 16/64". Flowed back 80 bbls of slick water in 2 hours, casing pressure dropped to 250 psi. Opened choke all the way & pressure dropped to 0 psi. Hooked vacuum truck onto casing & began pulling slight flow into vacuum truck. ND 5K frac valve & NUBOP. Ran in the hole with notched collar. Tagged sand at 6,945' (428' below bottom perms). Pulled out of the hole with tubing. Picked up production assembly & tripped in the hole with tubing. NDBOP, set TAC & flanged up wellhead. Flowed 50 bbls water to the vacuum truck while tripping pipe. Recovered a total of 130 bbls water. Left open to the flowback tank overnight.

TUBING DETAIL

198 - jts 2-3/8" tubing
1 - 2-3/8" x 5-1/2" TAC
2 - jts 2-3/8" tubing
1 - 2-3/8" SN @6,502'
1 - perf sub
1 - jt 2-3/8" mud joint

- 01/28/13 Ran in the hole with new pump & used rods. Spaced out pump. Stacked out on the stuffing box. Will move pumping unit in on the 29th. RDMOPU.

ROD DETAIL

96 – 7/8" steel rods
153 – 3/4" steel rods
9 – 7/8' steel rods
1 – No tap tool
1 – 7/8" x 4' sub w/guides
1 – Backoff tool
1 – 2-3/8" x 1-1/2" x 20' pump
1 – 1" x 10' extension
1 – Sand screen