

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS OCD

JUL 11 2016

RECEIVED

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. LC-059152b

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No. Paddy 24 Federal No. 1

2. Name of Operator CML Exploration, LLC

9. API Well No. 30-025-37378

3a. Address P.O. Box 890  
Snyder, TX 79550

3b. Phone No. (include area code)  
(325) 573-0750

10. Field and Pool or Exploratory Area  
Wildcat G-03 S173318N; Yeso 97727

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
600' FNL & 400' FEL Sec. 24, T-17-S, R-32-E

11. Country or Parish, State  
Lea County, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |   |   |
|--|---|---|---|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Production (Start/Resume)      | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation                    | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction     | <input type="checkbox"/> Recomplete                     | <input type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input checked="" type="checkbox"/> Temporarily Abandon |   |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back            | <input type="checkbox"/> Water Disposal                 |   |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

CML Exploration, LLC is requesting permission to temporarily abandon the above mentioned well. This well was completed in Jan. 2006 and has produced 78,000 bbl of oil and 46,000 MCF since then and currently produces on average 3.8 BOPD, 107 BWPB & 0 MFCD. In December of 2012, an attempt was made to re-stimulate the producing interval by hydraulic fracturing, but was unsuccessful. Based on our current operating costs this well has already surpassed it's economic limit and is currently producing to stay in compliance and keep the wellbore open for future field development. We believe it is necessary at this time to temporarily abandon the well and evaluate for possible use as an injection well.

Work will commence within 2 weeks of receiving approval and should last no longer than 3 days, assuming no unforeseen complications arise. The plan will call for removing the rods, pump and tubing. Then a cast iron bridge plug will be set on wireline at 5,800' (perforations from 5,854'-5,868') and 35' of cement will be dump bailed on top. Proposed PBTD = 5,765'. A pump truck will be used to run a 30 minute pressure test ( at 550 psig) on the plug to confirm zonal isolation and wellbore integrity. Tubing will be run back in the well to approximately 5,740'.

Attached to this form is the TA well bore, decline curves & financial statements justifying our position.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jordan Owens

Engineer

Title

Signature

Date

7/6/2016

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

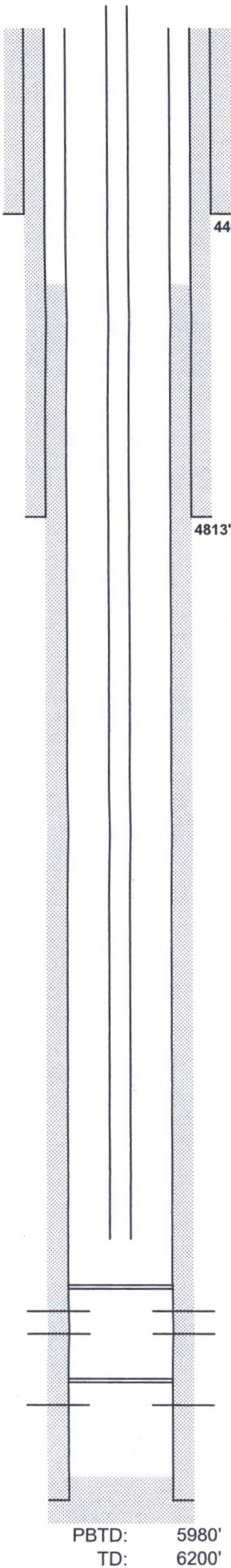
Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Accepted for Record Only  
Pending BLM Approval - MAB/OCD 7/14/2016



CML EXPLORATION, LLC



RKB 4125'  
GL 4109'

Lease & Well No.: Paddy"24" Federal No. 1

Well Category:  
Area: New Mexico  
Subarea: Paddock  
Legal Description: API # 30-025-37278  
400' FEL, 660' FNL, Sec 24, T-17-S,R-32-E Survey  
Lea County New Mexico

Spudded: 10/26/2005  
TD: 12/1/2005  
Completed: 1/21/2006

Stimulation: (6050-53) 500 gals 15% HCL

17 1/2" hole  
13 3/8" 48# J55  
set @ 446'  
500 sx cement

11" hole  
8 5/8" 32# J-55  
set @ 4813'  
2960sx cement., TOC = surface'

12/28/05 CIBP @ 6000' w/ 20' cement  
12/31/05 (5854 - 68') 1500gal15%HCL  
12/4/08 - 3000 gals of 20% HCL + 100 balls  
3/22/12 - 500 gals xylene + 2500 gals of 15%  
HCL & 100# rock salt  
12/19/12 Frac 52K gals 15# gel & 62K lbs of  
16/30 sand

5 1/2" TOC @1700' (CBL)

PRESSURE DATA  
NONE

Production Tbg  
178 jts 2 7/8" tubing

PROPOSED TA PLUG @ 5800' w/ 35' cement

Paddock Perfs  
5854-68' (4 spf) 56 holes

5 1/2" CIBP @ 6000' w/ 20' cement

6050-53' (4 spf)

5 1/2"17#- J-55 @ 6195'  
Cmt'd w/ 500 sks

PBTD: 5980'  
TD: 6200'



## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240



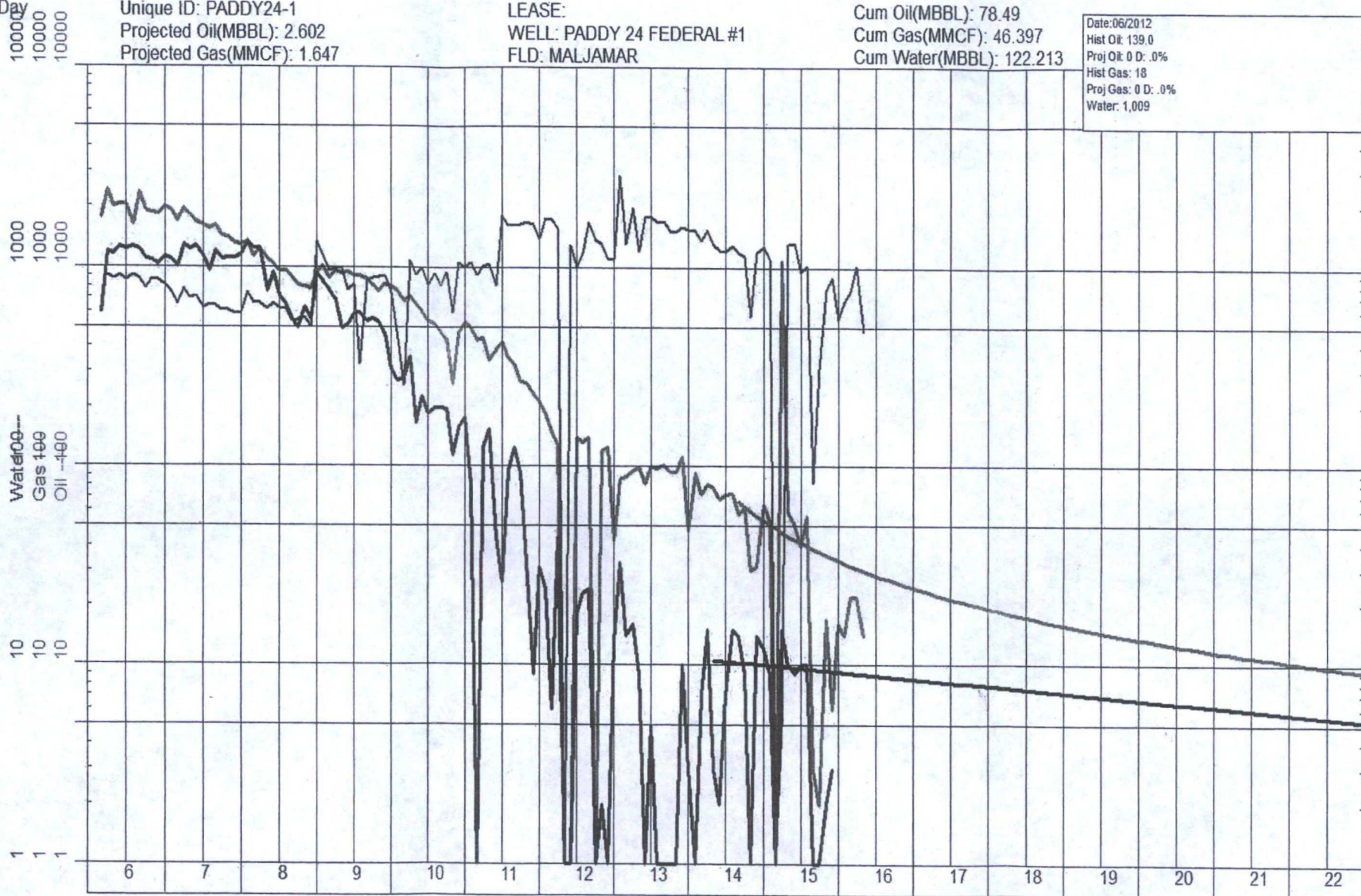
Rate/Day

Unique ID: PADDY24-1  
Projected Oil(MBBL): 2.602  
Projected Gas(MMCF): 1.647

LEASE:  
WELL: PADDY 24 FEDERAL #1  
FLD: MALJAMAR

Cum Oil(MBBL): 78.49  
Cum Gas(MMCF): 46.397  
Cum Water(MBBL): 122.213

Date:06/2012  
Hist Oil: 139.0  
Proj Oil: 0 D: .0%  
Hist Gas: 18  
Proj Gas: 0 D: .0%  
Water: 1,009



Oil - HYP 1.0 - 52.09%

Gas - EXP 0.0 - 7.70%



CML Exploration, LLC  
Gross Working Interest P&L by Activity Month  
PADDY 24 FED #1  
MALJAMAR PROSPECT

Net Revenue Interest  
0.735

|  | 01/31/14           | 02/28/14          | 03/31/14          | 04/30/14          | 05/31/14         | 06/30/14          | 07/31/14          | 08/31/14          | 09/30/14          | 10/31/14          | 11/30/14           | 12/31/14        | YTD                |
|--|--------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-----------------|--------------------|
|  | Jan-14             | Feb-14            | Mar-14            | Apr-14            | May-14           | Jun-14            | Jul-14            | Aug-14            | Sep-14            | Oct-14            | Nov-14             | Dec-14          | 12 months          |
| <b>Volumes</b>                             |                    |                   |                   |                   |                  |                   |                   |                   |                   |                   |                    |                 |                    |
| 3.OIL OIL - NET WI (Bbls)                  | -                  | -                 | -                 | -                 | 259              | -                 | -                 | -                 | -                 | -                 | -                  | 258             | 517                |
| 3.GASV GAS - NET WI (MCF)                  | 0                  | 2                 | 4                 | 1                 | 0                | 2                 | 5                 | 5                 | 3                 | -                 | 5                  | 4               | 33                 |
| <b>Gross Sales</b>                         |                    |                   |                   |                   |                  |                   |                   |                   |                   |                   |                    |                 |                    |
| 3.OIL OIL & CONDENSATE - NET WI            | \$ -               | \$ -              | \$ -              | \$ -              | \$ 23,409.21     | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -               | \$ 13,805.67    | \$ 37,214.87       |
| 3.GASAA GAS - NET WI                       | 3                  | 29                | 52                | 11                | 7                | 23                | 50                | 44                | 29                | -                 | 35                 | 24              | 307                |
| <b>Total Sales - Net WI</b>                | <u>3</u>           | <u>29</u>         | <u>52</u>         | <u>11</u>         | <u>23,416</u>    | <u>23</u>         | <u>50</u>         | <u>44</u>         | <u>29</u>         | <u>-</u>          | <u>35</u>          | <u>13,830</u>   | <u>37,522</u>      |
| <b>Average Price</b>                       |                    |                   |                   |                   |                  |                   |                   |                   |                   |                   |                    |                 |                    |
| OIL & CONDENSATE (per Bbl)                 | \$ -               | \$ -              | \$ -              | \$ -              | \$ 90.46         | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -               | \$ 53.46        | \$ 71.97           |
| GAS (per MCF)                              | \$ 37.64           | \$ 12.74          | \$ 12.62          | \$ 10.85          | \$ 15.03         | \$ 9.52           | \$ 9.57           | \$ 8.95           | \$ 9.27           | \$ -              | \$ 7.13            | \$ 5.79         | \$ 9.38            |
| <b>Gross Operating Costs</b>               |                    |                   |                   |                   |                  |                   |                   |                   |                   |                   |                    |                 |                    |
| 3.800.010 POH - PRODUCING OVERHEAD         | 996                | 996               | 996               | 1,020             | 1,020            | 1,020             | 1,020             | 1,020             | 1,020             | 1,020             | 1,020              | 1,020           | 12,171             |
| 3.800.020 LOE - COMPANY PUMPER             | 552                | 552               | 552               | 552               | 552              | 552               | 552               | 552               | 552               | 552               | 552                | 552             | 6,624              |
| 3.800.030 LOE - CONTRACT PUMPING           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.040 LOE - COMPRESSION FEES           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.050 LOE - COMPRESSOR RENTAL          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.060 LOE - UTILITIES                  | 688                | 682               | 622               | 1,331             | -                | 681               | 1,240             | (131)             | 667               | 694               | 417                | 497             | 7,368              |
| 3.800.070 LOE - COMPANY LABOR              | 50                 | 50                | 50                | 50                | 50               | 50                | 50                | 50                | 50                | 50                | 3,550              | 50              | 4,100              |
| 3.800.080 LOE - CHEMICALS                  | 790                | 301               | 301               | 993               | 451              | 301               | 1,191             | 301               | 744               | 451               | 301                | 301             | 6,425              |
| 3.800.090 LOE - FIELDMAN EXPENSES          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 25                 | -               | 25                 |
| 3.800.100 LOE - CONTRACT SERVICES          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 1,877              | -               | 1,877              |
| 3.800.110 LOE - DAMAGES                    | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.120 LOE - DIRTWORK                   | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.125 LOE - DISTRICT EXPENSE           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.130 LOE - ENVIRONMENTAL COMPLIANCE   | -                  | 13                | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | 13                 |
| 3.800.140 LOE - EQUIPMENT RENTAL           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 537                | -               | 537                |
| 3.800.150 LOE - EQUIPMENT REPAIRS          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.160 LOE - FRESH WATER INJECTION      | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.170 LOE - FUEL ,OIL, AND PROPANE     | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.180 LOE - GATHERING & MKTG FEES      | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.190 LOE - HOT OIL TREATMENT          | 386                | -                 | 363               | 313               | -                | -                 | 313               | 313               | 313               | -                 | 444                | -               | 2,444              |
| 3.800.200 LOE - INSURANCE & BONDS          | -                  | 117               | (18)              | 46                | -                | -                 | -                 | -                 | -                 | -                 | 609                | -               | 755                |
| 3.800.210 LOE - LANDMAN - CONTRACT         | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.215 LOE - LANDMAN - COMPANY          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.220 LOE - LEGAL FEES                 | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.230 LOE - LOCATION & ROADS           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.240 LOE - MAT & SUPPLIES - SURFACE   | -                  | 143               | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | 143                |
| 3.800.250 LOE - MAT & SUPPLIES - SUBSURFA  | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 1,289              | -               | 1,289              |
| 3.800.260 LOE - MINIMUM ROYALTY            | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.270 LOE - MISCELLANEOUS              | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.280 LOE - PERMITS                    | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.290 LOE - PIT CLEANUP                | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.300 LOE - PUMP TRUCK                 | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 1,105              | -               | 1,105              |
| 3.800.310 LOE - PROPERTY TAXES             | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | 343             | 343                |
| 3.800.320 LOE - PULLING UNIT               | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | 10,803             | -               | 10,803             |
| 3.800.330 LOE - RECORDING FEES             | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.340 LOE - REPAIRS & MAINT-SUBSURFA   | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | 1,855             | -                  | -               | 1,855              |
| 3.800.345 LOE - REPAIRS & MAINT-SURFACE    | -                  | 1,069             | -                 | -                 | 818              | -                 | -                 | -                 | -                 | -                 | -                  | -               | 1,886              |
| 3.800.350 LOE - RIGHT OF WAY               | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.360 LOE - ROUSTABOUT SERVICES        | -                  | 1,196             | -                 | 570               | -                | -                 | -                 | -                 | -                 | 342               | 114                | -               | 2,222              |
| 3.800.370 LOE - SALT WATER DISPOSAL        | 3,026              | 2,728             | 3,090             | 2,000             | 2,432            | 2,418             | 2,588             | 2,364             | 2,288             | 1,130             | 2,374              | 2,534           | 29,572             |
| 3.800.380 LOE - SAND CONTROL               | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.390 LOE - SUBMERSIBLE PUMP REPAIRS   | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.400 LOE - SWAB UNIT                  | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.410 LOE - TANK CLEANING              | -                  | 134               | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | 134                |
| 3.800.420 LOE - TRUCKING & HAULING         | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.430 LOE - VACUUM TRUCK               | -                  | 818               | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | 818                |
| 3.800.440 LOE - VEHICLE EXPENSES           | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.450 LOE - WEED CONTROL               | -                  | -                 | -                 | 183               | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | 183                |
| 3.800.460 LOE - WELDER                     | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.470 LOE - WIRELINE SERVICES          | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.888 LOE - MRU FACILITY               | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.800.999 LOE - NON-OPERATED WELLS         | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| <b>Total LOE Expense</b>                   | <u>6,487</u>       | <u>8,797</u>      | <u>5,956</u>      | <u>7,657</u>      | <u>5,323</u>     | <u>5,002</u>      | <u>6,954</u>      | <u>4,469</u>      | <u>5,633</u>      | <u>4,239</u>      | <u>27,216</u>      | <u>4,955</u>    | <u>92,690</u>      |
| <b>3.TAXAA REVENUE PRODUCTION TAXES</b>    | <u>0</u>           | <u>3</u>          | <u>5</u>          | <u>1</u>          | <u>2,003</u>     | <u>2</u>          | <u>5</u>          | <u>4</u>          | <u>3</u>          | <u>-</u>          | <u>3</u>           | <u>1,193</u>    | <u>3,221</u>       |
| 3.500.040 COMPRESSION - BILLED THROUGH REV | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| 3.410.110 REVENUE OTHER MARKETING CHARGES  | 247                | 249               | 250               | 248               | 248              | 249               | 250               | 250               | 249               | 247               | 250                | 250             | 2,987              |
| 3.840 WORKOVER COSTS                       | -                  | -                 | -                 | -                 | -                | -                 | -                 | -                 | -                 | -                 | -                  | -               | -                  |
| <b>Total Operating Costs</b>               | <u>6,735</u>       | <u>9,049</u>      | <u>6,211</u>      | <u>7,906</u>      | <u>7,324</u>     | <u>5,253</u>      | <u>7,209</u>      | <u>4,724</u>      | <u>5,885</u>      | <u>4,486</u>      | <u>27,470</u>      | <u>6,397</u>    | <u>98,898</u>      |
| <b>Income From Operations - Net WI</b>     | <u>\$ (6,732)</u>  | <u>\$ (9,019)</u> | <u>\$ (6,159)</u> | <u>\$ (7,896)</u> | <u>\$ 15,842</u> | <u>\$ (5,229)</u> | <u>\$ (7,159)</u> | <u>\$ (4,680)</u> | <u>\$ (5,856)</u> | <u>\$ (4,486)</u> | <u>\$ (27,435)</u> | <u>\$ 7,433</u> | <u>\$ (61,376)</u> |
| <b>TOTAL LOE EXPENSE - PRODUCING OH</b>    | <u>5,492</u>       | <u>7,802</u>      | <u>4,960</u>      | <u>6,637</u>      | <u>4,303</u>     | <u>3,982</u>      | <u>5,934</u>      | <u>3,449</u>      | <u>4,613</u>      | <u>3,219</u>      | <u>26,196</u>      | <u>3,934</u>    |                    |
| <b>BOE [10:1]</b>                          | <u>0</u>           | <u>2</u>          | <u>4</u>          | <u>1</u>          | <u>26</u>        | <u>2</u>          | <u>5</u>          | <u>5</u>          | <u>3</u>          | <u>0</u>          | <u>5</u>           | <u>30</u>       |                    |
| <b>LOE EXPENSE / BOE</b>                   | <u>\$67,926.90</u> | <u>\$3,413.00</u> | <u>\$1,200.84</u> | <u>\$6,840.86</u> | <u>\$163.53</u>  | <u>\$1,621.86</u> | <u>\$1,129.11</u> | <u>\$703.50</u>   | <u>\$1,462.95</u> | <u>#DIV/0!</u>    | <u>\$5,343.45</u>  | <u>\$191.07</u> |                    |

4500.020

CML Exploration, LLC  
Gross Working Interest P&L by Activity Month  
PADDDY 24 FED #1  
MALJAMAR PROSPECT

Net Revenue Interest  
0.735

|  | 01/31/15           | 02/28/15          | 03/31/15           | 04/30/15          | 05/31/15          | 06/30/15           | 07/31/15          | 08/31/15          | 09/30/15          | 10/31/15          | 11/30/15          | 12/31/15          | YTD                |
|--|--------------------|-------------------|--------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
|  | Jan-15             | Feb-15            | Mar-15             | Apr-15            | May-15            | Jun-15             | Jul-15            | Aug-15            | Sep-15            | Oct-15            | Nov-15            | Dec-15            | 12 months          |
| <b>Volumes</b>                             |                    |                   |                    |                   |                   |                    |                   |                   |                   |                   |                   |                   |                    |
| 3.OIL OIL - NET WI (Bbls)                  | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.GASV GAS - NET WI (MCF)                  | 3                  | -                 | 2                  | 4                 | 3                 | 4                  | 3                 | -                 | -                 | 1                 | 1                 | -                 | 20                 |
| <b>Gross Sales</b>                         |                    |                   |                    |                   |                   |                    |                   |                   |                   |                   |                   |                   |                    |
| 3.OIL OIL & CONDENSATE - NET WI            | \$ -               | \$ -              | \$ -               | \$ -              | \$ -              | \$ -               | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -               |
| 3.GASAA GAS - NET WI                       | 15                 | -                 | 9                  | 17                | 14                | 15                 | 15                | -                 | -                 | 5                 | 3                 | -                 | 94                 |
| <b>Total Sales - Net WI</b>                | <b>15</b>          | <b>-</b>          | <b>9</b>           | <b>17</b>         | <b>14</b>         | <b>15</b>          | <b>15</b>         | <b>-</b>          | <b>-</b>          | <b>5</b>          | <b>3</b>          | <b>-</b>          | <b>94</b>          |
| <b>Average Price</b>                       |                    |                   |                    |                   |                   |                    |                   |                   |                   |                   |                   |                   |                    |
| OIL & CONDENSATE (per Bbl)                 | \$ -               | \$ -              | \$ -               | \$ -              | \$ -              | \$ -               | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -               |
| GAS (per MCF)                              | \$ 4.83            | \$ -              | \$ 4.97            | \$ 4.92           | \$ 4.58           | \$ 4.32            | \$ 4.42           | \$ -              | \$ -              | \$ 4.54           | \$ 3.94           | \$ -              | \$ 4.61            |
| <b>Gross Operating Costs</b>               |                    |                   |                    |                   |                   |                    |                   |                   |                   |                   |                   |                   |                    |
| 3.800.010 POH - PRODUCING OVERHEAD         | 1,020              | -                 | 1,020              | 1,064             | 1,064             | 1,064              | 1,064             | 1,064             | -                 | 1,064             | 1,064             | 1,064             | 10,555             |
| 3.800.020 LOE - COMPANY PUMPER             | 552                | -                 | 552                | 552               | 552               | 552                | 552               | 552               | -                 | 552               | 552               | 552               | 5,520              |
| 3.800.030 LOE - CONTRACT PUMPING           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.040 LOE - COMPRESSION FEES           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.050 LOE - COMPRESSOR RENTAL          | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.060 LOE - UTILITIES                  | 579                | 579               | 193                | 457               | 596               | 543                | 449               | 536               | 97                | 215               | 330               | 326               | 4,900              |
| 3.800.070 LOE - COMPANY LABOR              | 50                 | 720               | 1,050              | 50                | 50                | 50                 | 50                | 50                | 400               | 1,050             | 50                | 50                | 3,620              |
| 3.800.080 LOE - CHEMICALS                  | 297                | 298               | 298                | 446               | 893               | 298                | 298               | 298               | -                 | -                 | 149               | -                 | 3,273              |
| 3.800.090 LOE - FIELDMAN EXPENSES          | 45                 | -                 | 26                 | -                 | -                 | -                  | -                 | -                 | -                 | 32                | -                 | -                 | 103                |
| 3.800.100 LOE - CONTRACT SERVICES          | -                  | -                 | -                  | -                 | -                 | 890                | -                 | 100               | -                 | -                 | -                 | -                 | 990                |
| 3.800.110 LOE - DAMAGES                    | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.120 LOE - DIRTWORK                   | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.125 LOE - DISTRICT EXPENSE           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.130 LOE - ENVIRONMENTAL COMPLIANCE   | -                  | -                 | -                  | 261               | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | 261                |
| 3.800.140 LOE - EQUIPMENT RENTAL           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.150 LOE - EQUIPMENT REPAIRS          | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.160 LOE - FRESH WATER INJECTION      | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.170 LOE - FUEL, OIL, AND PROPANE     | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.180 LOE - GATHERING & MKTG FEES      | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.190 LOE - HOT OIL TREATMENT          | 300                | -                 | -                  | 300               | 353               | 353                | 353               | -                 | 496               | -                 | -                 | -                 | 2,154              |
| 3.800.200 LOE - INSURANCE & BONDS          | -                  | 107               | -                  | -                 | -                 | -                  | -                 | 71                | 1                 | -                 | -                 | 635               | 815                |
| 3.800.210 LOE - LANDMAN - CONTRACT         | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.215 LOE - LANDMAN - COMPANY          | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.220 LOE - LEGAL FEES                 | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.230 LOE - LOCATION & ROADS           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.240 LOE - MAT & SUPPLIES - SURFACE   | -                  | -                 | -                  | 1,948             | -                 | 850                | -                 | -                 | 6                 | -                 | -                 | -                 | 2,805              |
| 3.800.250 LOE - MAT & SUPPLIES - SUBSURFA  | -                  | -                 | 55                 | -                 | -                 | -                  | -                 | -                 | 673               | -                 | -                 | -                 | 728                |
| 3.800.260 LOE - MINIMUM ROYALTY            | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.270 LOE - MISCELLANEOUS              | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.280 LOE - PERMITS                    | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.290 LOE - PIT CLEANUP                | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.300 LOE - PUMP TRUCK                 | -                  | -                 | 698                | -                 | -                 | -                  | -                 | -                 | 531               | -                 | -                 | -                 | 1,229              |
| 3.800.310 LOE - PROPERTY TAXES             | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | 148               | -                 | -                 | 148                |
| 3.800.320 LOE - PULLING UNIT               | -                  | -                 | 3,835              | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | 6,945              |
| 3.800.330 LOE - RECORDING FEES             | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | 3,110             | -                 | -                 | -                 | -                  |
| 3.800.340 LOE - REPAIRS & MAINT-SUBSURFA   | -                  | -                 | 1,770              | -                 | -                 | -                  | -                 | -                 | -                 | 899               | -                 | -                 | 2,669              |
| 3.800.345 LOE - REPAIRS & MAINT-SURFACE    | 1,713              | -                 | -                  | 1,717             | -                 | 3,042              | -                 | -                 | -                 | 857               | -                 | -                 | 7,330              |
| 3.800.350 LOE - RIGHT OF WAY               | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.360 LOE - ROUSTABOUT SERVICES        | 2,832              | -                 | -                  | 227               | -                 | 3,170              | -                 | -                 | -                 | -                 | -                 | -                 | 6,228              |
| 3.800.370 LOE - SALT WATER DISPOSAL        | 2,632              | -                 | 2,156              | 2,608             | 2,622             | 1,910              | 2,048             | 166               | 618               | 1,778             | 1,546             | 1,106             | 19,190             |
| 3.800.380 LOE - SAND CONTROL               | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.390 LOE - SUBMERSIBLE PUMP REPAIRS   | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.400 LOE - SWAB UNIT                  | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.410 LOE - TANK CLEANING              | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.420 LOE - TRUCKING & HAULING         | 280                | -                 | -                  | -                 | -                 | 918                | -                 | -                 | -                 | -                 | -                 | -                 | 1,198              |
| 3.800.430 LOE - VACUUM TRUCK               | 1,656              | -                 | -                  | -                 | -                 | 92                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,749              |
| 3.800.440 LOE - VEHICLE EXPENSES           | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.450 LOE - WELD CONTROL               | -                  | -                 | 183                | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | 183                |
| 3.800.460 LOE - WELDER                     | -                  | -                 | -                  | -                 | -                 | 338                | -                 | -                 | -                 | -                 | -                 | -                 | 338                |
| 3.800.470 LOE - WIRELINE SERVICES          | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.888 LOE - MRU FACILITY               | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.800.999 LOE - NON-OPERATED WELLS         | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| <b>Total LOE Expense</b>                   | <b>11,956</b>      | <b>1,704</b>      | <b>11,834</b>      | <b>9,830</b>      | <b>6,130</b>      | <b>14,070</b>      | <b>4,814</b>      | <b>2,837</b>      | <b>5,933</b>      | <b>6,596</b>      | <b>3,991</b>      | <b>3,733</b>      | <b>82,928</b>      |
| <b>3.TAXAA REVENUE PRODUCTION TAXES</b>    | <b>1</b>           | <b>-</b>          | <b>1</b>           | <b>2</b>          | <b>1</b>          | <b>1</b>           | <b>1</b>          | <b>-</b>          | <b>-</b>          | <b>0</b>          | <b>0</b>          | <b>-</b>          | <b>9</b>           |
| 3.500.040 COMPRESSION - BILLED THROUGH REV | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| 3.410.110 REVENUE OTHER MARKETING CHARGES  | 249                | 247               | 248                | 249               | 249               | 249                | 249               | 247               | 247               | 248               | 248               | 247               | 2,979              |
| 3.840 WORKOVER COSTS                       | -                  | -                 | -                  | -                 | -                 | -                  | -                 | -                 | -                 | -                 | -                 | -                 | -                  |
| <b>Total Operating Costs</b>               | <b>12,206</b>      | <b>1,951</b>      | <b>12,083</b>      | <b>9,881</b>      | <b>6,381</b>      | <b>14,321</b>      | <b>5,065</b>      | <b>3,084</b>      | <b>6,180</b>      | <b>6,844</b>      | <b>3,939</b>      | <b>3,980</b>      | <b>85,916</b>      |
| <b>Income From Operations - Net WI</b>     | <b>\$ (12,191)</b> | <b>\$ (1,951)</b> | <b>\$ (12,075)</b> | <b>\$ (9,864)</b> | <b>\$ (6,366)</b> | <b>\$ (14,306)</b> | <b>\$ (5,049)</b> | <b>\$ (3,084)</b> | <b>\$ (6,180)</b> | <b>\$ (6,839)</b> | <b>\$ (3,936)</b> | <b>\$ (3,980)</b> | <b>\$ (85,822)</b> |
| <b>TOTAL LOE EXPENSE - PRODUCING OH</b>    | <b>10,935</b>      | <b>1,704</b>      | <b>10,814</b>      | <b>8,566</b>      | <b>5,066</b>      | <b>13,006</b>      | <b>3,750</b>      | <b>1,773</b>      | <b>5,933</b>      | <b>5,531</b>      | <b>2,626</b>      | <b>2,669</b>      |                    |
| <b>BOE (10-1)</b>                          | <b>3</b>           | <b>0</b>          | <b>2</b>           | <b>4</b>          | <b>3</b>          | <b>4</b>           | <b>3</b>          | <b>0</b>          | <b>0</b>          | <b>1</b>          | <b>1</b>          | <b>0</b>          |                    |
| <b>LOE EXPENSE / BOE</b>                   | <b>\$3,468.09</b>  | <b>#DIV/0!</b>    | <b>\$6,181.86</b>  | <b>\$2,443.26</b> | <b>\$1,606.67</b> | <b>\$3,709.69</b>  | <b>\$1,071.79</b> | <b>#DIV/0!</b>    | <b>#DIV/0!</b>    | <b>\$5,262.78</b> | <b>\$3,722.25</b> | <b>#DIV/0!</b>    |                    |



[illegible]