<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 117925

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PE	ERMIT TO DRILL	RE-ENTER.	DEEPEN, P	PLUGBACK.	OR ADD A ZONE
THE PROPERTY OF THE PROPERTY O	TUILL I O DIGILL			TO OPITOIT.	OIL LIDE II LOIL

1. Operator	Name and Address	2. OGRID Number	
	ORATION, LLC	256512	
9, 10, 50	BOX 890 P TX 70550	3. API Number	
UNIDE	SNYDER , TX 79550 30-025-39855		
4. Property Code	5. Property Name	6. Well No.	
38266	HENRY 24	001	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	24	198	35E	G	1980	N	1980	E	LEA

8. Pool Information

PEARL;QUEEN 4978	PEARL;QUEEN	49780
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3710
14. Multiple N	15. Proposed Depth 5500	16. Formation Penrose	17. Contractor	18. Spud Date 8/9/2010
Depth to Ground	water	Distance from nearest fresh	water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste	mils thic	k Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine I	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1800	1000	0
Prod	7.875	5.5	17	5500	1000	0

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Troposed Blowday Trevention Trogram									
Type	Working Pressure	Test Pressure	Manufacturer						
Annular	3000	2000	Hydril						
DoubleRam	3000	3000	Shaffer						

of my knowledge and belief.	ion given above is true and complete to the best ng pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines , a gene OCD-approved plan .	eral permit , or an (attached) alternative	Approved By: Paul Kautz				
Printed Name: Electronica	lly filed by Judy Wilkinson	Title: Geologist				
Title:	10.00	Approved Date: 8/3/2010	Expiration Date: 8/3/2012			
Email Address: wilkinsonj	@cmlexp.com					
Date: 7/27/2010	Phone: 325-573-1938	Conditions of Approval Atta	ached			

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 117925

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-025-39855	49780	PEARL;QUEEN
4. Property Code	5. Property Nan	ne 6. Wett No.
38266	HENRY 24	001
7. OGRID No.	8. Operator Nam	e 9. Elevation
256512	CML EXPLORATION	ON, LLC 3710

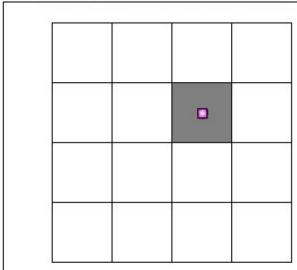
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	24	198	35E	in the second	1980	N	1980	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
2.000 to 19.00	cated Acres	13. 1	Joint or Infill		14	. Consolidation (Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Judy Wilkinson

Date: 7/27/2010

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Ronald Eidson Date of Survey: 7/13/2010 Certificate Number: 3239

Permit Comments

Operator: CML EXPLORATION, LLC , 256512 Well: HENRY 24 #001

30-025-39855 API:

Created By	Comment	Comment Date
pkautz	Land Fee/Fee	7/28/2010
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-02278.	8/2/2010

Permit Conditions of Approval

Operator: CML EXPLORATION, LLC , 256512 Well: HENRY 24 #001

API: 30-025-39855

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string