

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 193792

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CML EXPLORATION, LLC P.O. Box 890 Snyder, TX 79550		2. OGRID Number 256512
		3. API Number 30-025-42177
4. Property Code 38326	5. Property Name BEAMS 15 STATE	6. Well No. 004

7. Surface Location

UL - Lot G	Section 15	Township 17S	Range 33E	Lot Idn	Feet From 2105	N/S Line N	Feet From 1450	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot G	Section 15	Township 17S	Range 33E	Lot Idn G	Feet From 2105	N/S Line N	Feet From 1450	E/W Line E	County Lea
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9. Pool Information

SANMAL:PENN	54340
LEAMEX;WOLFCAMP	37860

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 4161
16. Multiple Y	17. Proposed Depth 13000	18. Formation Strawn	19. Contractor	20. Spud Date 12/1/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1550	1250	0
Int1	12.25	8.625	32	4600	1500	0
Prod	7.875	5.5	17	13000	1200	4200

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Shaffer
Annular	5000	5000	Hydri

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature: _____</p> <p>Printed Name: Electronically filed by Judy Wilkinson</p> <p>Title: Production Assistant</p> <p>Email Address: wilkinsonj@cmlexp.com</p> <p>Date: 10/9/2014</p>	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> <p>Approved By: Paul Kautz</p> <p>Title: Geologist</p> <p>Approved Date: 10/9/2014</p> <p>Expiration Date: 10/9/2016</p> <p>Conditions of Approval Attached</p>
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name BEAMS 15 STATE	Well Number 4
OGRID No.	Operator Name CML EXPLORATION, LLC	Elevation 4161'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	15	17-S	33-E		2015	NORTH	1450	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=668640.0 N X=710925.3 E</p> <p>LAT.=32.836293° N LONG.=103.646618° W</p> <p>GEODETIC COORDINATES NAD 83 NME</p> <p>SURFACE LOCATION Y=668704.8 N X=752103.6 E</p> <p>LAT.=32.836414° N LONG.=103.647121° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Nolan von Roeder</i> 10/9/2014 Signature Date</p> <p>Nolan von Roeder Printed Name</p> <p>vonroeder@cml/exp.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>SEPTEMBER 24, 2014</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor:</p> <p><i>Ronald J. Eidson</i> 10/06/2014 Certificate Number 3239</p> <p>ACK JWSC W.O. 14.11.1006</p>
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Revised August 1, 2011
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Property Code	Property Name BEAMS 15 STATE	Well Number 4
OGRID No.	Operator Name CML EXPLORATION, LLC	Elevation 4161'

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Form APD Comments

Permit 193792

PERMIT COMMENTS

Operator Name and Address: CML EXPLORATION, LLC [256512] P.O. Box 890 Snyder, TX 79550		API Number: 30-025-42177
		Well: BEAMS 15 STATE #004
Created By	Comment	Comment Date
VONROEDERN	Administrative approval of this unorthodox location will be requested based on geological and seismic interpretation to maximize reservoir recovery and prevent waste. CML Exploration, LLC operates all the offset proration units in the applied for pools.	10/8/2014
VONROEDERN	CML Exploration, LLC also operates all the offset proration units in the adjacent sections. In addition, there is a buried pipeline running north to south cutting through the eastern portion of the standard spacing box that would interfere with the construction of a standard location.	10/9/2014

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Form APD Conditions

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CML EXPLORATION, LLC [256512] P.O. Box 890 Snyder, TX 79550	API Number: 30-025-42177
	Well: BEAMS 15 STATE #004

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
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.