

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
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 40392 30-025-39919
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 38326
7. Lease Name or Unit Agreement Name BEAMS 15 STATE
8. Well Number 2
9. OGRID Number 256512
10. Pool name or Wildcat SANMAL; PENN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4176' GR

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 Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

CML EXPLORATION, LLC

3. Address of Operator

P.O. BOX 890
SNYDER, TX 79550

4. Well Location

Unit Letter D: 450 feet from the North line and 885 feet from the West line
Section 15 Township 17S Range 33E NMPM County Lea

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.

01/21/12 788' - Rigged up Patterson-UTI Drilling Co. Rig No. 41, drilled & surveyed (Bit #1 - 17½"). Spudded well @2:00 p.m. 01/20/12.
01/22/12 1,474' - Drilled & surveyed.
01/23/12 1,575' - Drilled, trip for bit #2 (17½"), working stuck pipe.
01/24/12 1,575' - Ran 38 jts 13-3/8" 54.5# J-55 STC casing, set @1565'. Ran 10 centralizers. Cemented w/1000 sx C w/4% PF20, 2% PF1 & 0.125#/sk PF29 + 250 sx "C" w/2% PF1 & 0.125#/sk PF-29. Circulated 337 sx to pit. Plug down @6:45 p.m. 01/23/12. Waiting on cement.
01/25/12 1,575' - Nipple up BOP & test, make up BHA & drilled cement & plug.
01/26/12 2,165' - Nipple up rotating head, drilled float collar & cement, drilled (Bit #3 - 12¼") & surveyed.
01/27/12 3,051' - Drilled & surveyed.
01/28/12 3,698' - Drilled & surveyed

Spud Date:

01/20/2012

Rig Release Date:

02/26/2012

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 02/29/2012

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAR 05 2012
Conditions of Approval (if any):

MAR 05 2012

01/29/12 4,457' - Drilled & surveyed
 01/30/12 4,515' - Drilled. Ran 110 jts 8-5/8" 32# J55 STC casing, set @4514'. Ran 10 centralizers. Cemented w/1650 sx 65/35 "C", 6% PF20, 5% BWOWPF44, 3#/sk PF42 & tailed w/300 sx "C" neat. After 30 bbls of starting displacement, the cement locked up.
 01/31/12 1300' - Nipple down & set slips, cut off casing & nipple up B section & BOP, cleaned pits, tested stack, trip in hole & tagged cement @592' (found plug @615') & started drilling cement. Bit #4 (7-7/8").
 02/01/12 3822' - Drilled cement
 02/02/12 4488' - Drilled cement, ran Cement Bond Log (found top of cement @1285') & repairing BOP (testing BOP showed rams & annular were not holding)
 02/03/12 4488' - Swapping out BOP
 02/04/12 4682' - Nipple up & testing BOP, drilled cement & back to drilling (Bit #5 - 7-7/8").
 02/05/12 5444' - Drilled & surveyed
 02/06/12 6109' - Drilled & surveyed
 02/07/12 6760' - Drilled & surveyed
 02/08/12 7092' - Drilled & trip for bit . Bit #6 (7-7/8")
 02/09/12 7520' - Drilled & surveyed
 02/10/12 8015' - Drilled & surveyed
 02/11/12 8166' - Drilled, surveyed & trip for bit
 02/12/12 8264' - Finished trip for bit #7 (7-7/8") & drilled.
 02/13/12 8866' - Drilled & surveyed.
 02/14/12 9154' - Drilled & trip for bit #8 (7-7/8")
 02/15/12 9757' - Drilled & surveyed.
 02/16/12 10,064' - Drilled, surveyed & trip for bit #9 (7-7/8")
 02/17/12 10,451' - Finished trip for bit & drilled.
 02/18/12 10,841' - Drilled & surveyed
 02/19/12 11,100' - Drilled, surveyed & trip for bit #10 (7-7/8")
 02/20/12 11,234' - Finished trip for bit & drilled.
 02/21/12 11,600' - Drilled, surveyed & circulating to log
 02/22/12 11,600' - Trip to log, loggers could not get below 10,760', reamed out tight spots.
 02/23/12 11,600' - Logging
 02/24/12 11,600' - Finished logging, laid down drill pipe & collars & waiting on casing crew
 02/25/12 11,600' - Ran 276 jts 5 1/2" 17# N80 & P110 casing, set @11567'. Ran 40 turbolizers across pay zones. Cemented 1st stage: Lead w/500 sx "H", 1.3% PF44, 5% PF174, .5% PF606, .30% PF13, .2% PF153 & 1/4#/sk PF46. 12.2 ppg, yield = 1.78 cu ft/sk. Tailed w/300 sx "H", 1.3% PF44, 5% PF174, .5% PF606, .30% PF13, .2% PF153 & 1/4#/sk PF46. 13 ppg, yield = 1.47 cu ft/sk. Dropped bomb & opened stage tool, circulated 30 bbls cement to the pit, continued circulating 4 hrs. Cemented 2nd stage: Lead 200 sx 50/50 Poz/C, 5% PF44, 10% PF020 & 1/4#/sk PF46. 11.19 ppg, yield = 2.45 cu ft/sk. Tailed w/150 sx "C", 1.3% PF44, 5% PF174, .5% PF606 & .1% PF153. Plug down @6:00 a.m. 02/25/12.
 02/26/12 11,600' - NDBOP, set slips & cut off casing, nipple up tubing head, jet & clean pits and rigging down.

RIG RELEASED @4:00 A.M. 02/26/12