

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO. 30-025-39005 ✓
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.
3. Address of Operator P.O. BOX 890 SNYDER, TX 79550		7. Lease Name or Unit Agreement Name PADDY 18 STATE ✓
4. Well Location Unit Letter <u>N</u> : <u>355</u> feet from the <u>SOUTH</u> line and <u>2060</u> feet from the <u>WEST</u> line Section <u>18</u> Township <u>17S</u> Range <u>33E</u> NMPM County <u>LEA</u>		8. Well Number <u>2</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4155' GL		9. OGRID Number 256512 ✓
		10. Pool name or Wildcat MALJAMAR; PADDOCK, EAST

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

07/20/08 Moved in & rigged up Patterson-UTI Drilling Co. Rig #54.
07/21/08 400' - Drilled (Bit #1 - 17½") & surveyed. Repaired rig. Spudded well @8:00 p.m. 07/20/08.
07/22/08 400' - Ran 10 jts 13-3/8" 48# H-40 STC casing & 5 centralizers. Set @400'. Cemented w/500 sx class "C" w/2% CC & 0.25#/sk celloflakes. Circulated 250 sx cement to the pit. Plug down @12:30 p.m. CST 07/21/08. Waited on cement. Tested equipment.
07/23/08 562' - Drilled cement & plug. Drilled 162'. Rig repair. Bit #2 - 12¼".
07/24/08 1357' - Drilled & surveyed.
07/25/08 1848' - Drilled & surveyed.
07/26/08 2255' - Drilled, surveyed & worked stuck pipe.
07/27/08 2255' - Worked stuck pipe, ran free point, backed out.
07/28/08 2598' - Drilled & surveyed. Bit #3 - 12¼".
07/29/08 2852' - Drilled.
07/30/08 3042' - Drilled & surveyed.
07/31/08 3232' - Drilled.

RECEIVED

SEP 2 2008
HOBBS OCL

Spud Date: 07/20/2008

Rig Release Date: 08/24/2008

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 08/29/08

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 11 2008

Conditions of Approval (if any):