

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

Form C-103
 Revised July 18, 2013

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

HOBBS OCD

DEC 19 2013

WELL API NO. 30-025-41407
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 3
9. OGRID Number 256512
10. Pool name or Wildcat SANMAL; PENN
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4158'

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PERMITS 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 B : 352 feet from the North line and 2094 feet from the East 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:		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"/>			
CLOSED-LOOP SYSTEM <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED COMPLETION REPORT

Spud Date: 10/07/2013

Rig Release Date: 11/06/2013

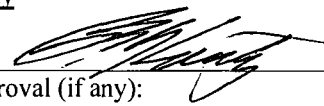
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Engineer DATE 12/17/2013

Type or print name Nolan von Roeder E-mail address: vonroedern@cmlexp.com PHONE: 325-573-0750

For State Use Only

Petroleum Engineer

APPROVED BY:  TITLE _____ DATE DEC 06 2013

Conditions of Approval (if any):

DEC 06 2013

BEAMS 15 STATE NO. 3
Sec. 15, T-17-S, R-33-E
Lea County, New Mexico
Property Code #38326 – API #30-025-41407

DAILY COMPLETION REPORT

- 11/20/13 Moved in & set pipe racks. Unloaded & racked 347 jts of 2-7/8" N80 tubing. MIRUPU. Shut down for the night.
- 11/21/13 NUBOP, picked up 6 – 3-1/2" DCs & 4-3/4" bit. Tripped in the hole with new 2-7/8" tubing. Tagged cement @7320'. Drilled out cement & DV tool @7474', circulated clean. Tested casing & DV tool good to 1500 psi. Continued in the hole to 11,200'. Circulated casing clean w/240 bbls of fresh water. Pulled out of the hole with tubing. Laid down drill collars & bit. Shut well in for the night.
- 11/22/13 Rigged up wireline truck & ran CBL, CCL & GR from PBTD @12,950' to 10,000' & from 7,500' to 1,200'. Top of cement @3,150'. Rigged down wireline truck. Shut well in.
- 11/25/13 Rigged up wireline truck & ran in the hole with 3-1/8" perforating gun. Perforated Cisco Lime (11,122-11,27'), (11,089 – 11,101'), (11,076-85'), (11,062-72'), (11,046-60') & (11,029 – 11,044') 4 SPF 90° phasing. Rigged down wireline truck. Started in the hole with 5½" 10K packer to 7000'. Shut well in for the night.
- 11/26/13 Continued in the hole with tubing to 11,138'. Rigged up acid pump. Broke circulation with fresh water. Spotted 200 gallons of 15% HCL NEFE across new perforations. Moved packer up to 10,878'. NDBOP, set packer & flanged up wellhead. Pressured up on casing & packer to 500 psi & held. Treated well with remaining 5000 gallons of 15% HCL NEFE & 200 ball sealers. Formation broke down with acid on spot. Treated @3000 psi @4.5 BPM, had some ball action. ISIP = 2100 psi, on vacuum in 4 minutes. Began swabbing 240 bbl load back. 1st fluid level was 5000' from the surface. Recovered 48 bbls of water, fluid level @7000' from the surface. Shut well in for the night.
- 11/28/13 SITP = 30 psi, FL @7,000' from the surface. Swabbed a total of 120 bbls fluid. Oil cut increased to 60% by the end of the day. Fluid level at 6,800' on the last 3 runs of the day. Large amount of gas. Shut well in for the weekend.
- 12/02/13 SITP = 200 psi. Rigged up slick wireline truck & ran pressure gauges to mid-perforations. BHP = 1193 psi (read in the field). Began swabbing. 1st run - fluid level @6,500' from the surface. Pulled 1500' of free oil. 2nd run - fluid level @5,000' from the surface. Pulled 1500' of free oil with a large amount of gas. 3rd run – pulled 1,500' of fluid. Had 1,000' of oil & 500' of water on bottom. Continued swabbing for another 5 hours. Recovered a total of 62 bbls fluid. Oil cut 40% on the last run & fluid level @7,500' from the surface.

CML EXPLORATION, LLC
PO BOX 890
SNYDER, TEXAS 79550

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DAILY COMPLETION REPORT

- 12/03/13 SITP = 220 psi, FL @6,500' from the surface. Pulled 1,300' free oil. Continued swabbing. Recovered a total of 108 bbls fluid in 9 hrs. Last run the fluid level @8,000' from the surface, oil cut 50%.
- 12/04/13 SITP = 330 psi, FL @4,000' from the surface. Pulled 1500' of free oil. Continued swabbing. Last run of the day was 80% oil, 20% load water. Fluid level was @8,000' from the surface. Recovered 108 bbls fluid in 8 hrs.
- 12/05/13 SITP = 360 psi, FL @3,500' from the surface. Pulled 1500' of free oil. Flowed 12 bbls of oil to the test tank & died. Recovered a total of 20 bbls. Shut in well due to weather.
- 12/09/13 SITP = 800 psi. Opened well up on a full open choke to the test tank. Made 53 bbls of oil in 6 hours. Flowing pressure down to 20 psi, rate 5 bbls in the last hour. Left well open to the test tank overnight. Pulling unit shut down for the day.
- 12/10/13 Made 20 bbls of oil in 17 hours. At 7:00 a.m. the well was flowing a small amount of gas to the test tank. No fluid, 0 psi on tubing. Rigged up pump truck & pumped 50 bbls of cut brine down tubing. NDWH, unset packer & NUBOP. Tripped out of the hole with tubing & packer. Tripped in the hole with production assembly & 2-7/8" tubing. NDBOP, set TAC & flanged up wellhead. Shut well in for the night.

EDC: \$ 6,400
CUM: \$ 188,350

TUBING DETAIL

334 – jts 2-7/8" N80 tubing
1 – 5-1/2" x 2-7/8" TAC
2 – jts 2-7/8" N80 tubing
1 – 2-7/8" x 2-3/8" X-over
1 – 2-3/8" seat nipple @10,901'
1 – 2-7/8" x 2-3/8" X-over
1 – 2-7/8" perf sub
1 – 2-7/8" jt mud anchor

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DAILY COMPLETION REPORT

12/11/13 Picked up new pump & rods. Ran in the hole, spaced out pump. Left stacked out on the stuffing box. Shut well in waiting on pumping unit.

EDC: \$ 67,000

CUM: \$ 255,350

ROD DETAIL

- 2 – 1" x 4' subs
- 1 – 1" x 6' sub
- 1 – 1" x 8' sub
- 93 – 1" steel HS rods (new)
- 148 – 7/8" steel HS rods (new)
- 182 – 3/4" steel HS rods (new)
- 1 – 7/8" x 4' sub w/guides
- 1 – No tap tool
- 1 – Shear tool (26K)
- 1 – 2-3/8" x 1-1/2" x 24' pump (new)
- 1 – 1" x 20' gas anchor

12/12/12 RDMOPU.