

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 August 1, 2011

HOBBS OCD

FEB 18 2012

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

RECEIVED

WELL API NO. 30-025-40728	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. 39410	
7. Lease Name or Unit Agreement Name PADDY 23 STATE	
8. Well Number 1	
9. OGRID Number 256512	
10. Pool name or Wildcat LEAMEX: PADDOCK	
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator CML EXPLORATION, LLC	
3. Address of Operator P.O. BOX 890 SNYDER, TX 79550	
4. Well Location Unit Letter <u>N</u> : <u>330</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>23</u> Township <u>17S</u> Range <u>33E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4147' GR	

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.

SEE ATTACHED COMPLETION REPORT

Spud Date:

10/06/2012

Rig Release Date:

10/27/2012

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 _____

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 MAR 28 2013

Conditions of Approval (if any):

CML EXPLORATION, LLC
P.O. BOX 890
SNYDER, TX 79549

PADDY 23 STATE NO. 1
Sec. 23, T-17-S, R-33-E
Lea County, New Mexico
Property Code #39410 – API #30-025-40728

DAILY COMPLETION REPORT

- 12/03/12 MIRUPU. Unloaded & racked new 2-3/8" 4.7# J55 tubing. NUBOP. Picked up 2-3/8" tubing from the rack & tripped in the hole to 7080'. Pulled out of the hole & stood back 218 jts of tubing. Rigged up wireline truck. Ran GR/CBL/CCL from PBDT @7326' to 5800', had good cement across pay zones. Top of cement @1870'. Perforated Blinebry (7050-62') 2 spf, 90° phasing. Rigged down wireline truck. Tripped in the hole with packer & tubing to 7085'. Shut well in for the night.
- 12/04/12 Rigged up acid pump truck & broke circulation. Spotted 200 gallons of 15% HCL across perforations. Moved & set packer @6802'. Broke formation down @2800 psi. Established an injection rate of 1.5 BPM @3350 psi. Treated as follows: Pumped 1300 gals of 15% HCL w/NeFe followed by 1000 gals of treated 2% KCL water with 18 ball sealers, did not see any ball action. Pumped another 1500 gals 15% HCL followed by 1000 gals of treated 2% KCL water. Flushed with 31 bbls of 2% KCL water. Average rate & pressure = 3.2 BPM @3650 psi. ISIP = 2770 psi @ 2648 psi after 15 minutes. Opened well up to test tank & flowed back 65 bbls water. Recovered 32 bbls of acid water after 5 runs. Fluid level @3000' from the surface. Shut well in for the night. Load from acid job is 183 bbls, recovered 97 bbls.
- 12/05/12 SITP = 360 psi, FL @1200' from surface. Had 40% oil cut on the 1st run. Continued swabbing. Swabbed dry after 6 runs. Began making a run every hour. Had 300' of entry every hour, 30% oil cut. Last run oil cut = 60%. Recovered 35 bbls of fluid. Shut well in for the night.
- 12/06/12 SITP = 100 psi, FL @4800'. Had 35% oil cut on the 1st run. Pulled from SN & swabbed dry. Released packer & laid down 16 jts of tubing. Pulled out of the hole w/tubing & packer. Rigged up wireline truck. Perforated lower Paddock (6516-24'), (6531-39'), (6542-52') & (6566-71') 2 spf, 90° phasing. Set composite bridgeplug @7010'. Rigged down wireline truck. Tripped in hole with packer & tubing to ±2000'. Shut well in for the night.
- 12/07/12 Continued in the hole with tubing & packer to 6573'. Waited on acid pump truck. Rigged up acid pump & broke circulation with 31 bbls of 2% KCL water. Spotted 200 gals of 15% HCL across perforations. Moved & set packer @6316'. Pressured up on casing & packer to 500 psi, held. Broke formation down on water @3780 psi. Treated well with remaining 3500 gals of 15% HCL NeFe & 90 balls. Treated @3880 psi @2.6 BPM, did not see any ball action. ISIP = 3340 psi down to 2874 psi in 15 minutes. Bled tubing down to test tank. Began swabbing 114 bbl load back. On the 4th run had a 10% oil cut. Continued swabbing. Made a total of 12 runs. Recovered 71 bbls of fluid, fluid level @4400' from the surface on the last 3 runs of the day. Oil cut @50% with good gas show. Shut well in for the weekend.

CML EXPLORATION, LLC
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SNYDER, TX 79549

PADDY 23 STATE NO. 1
Sec. 23, T-17-S, R-33-E
Lea County, New Mexico
Property Code #39410 – API #30-025-40728

DAILY COMPLETION REPORT

- 12/07/12 Continued in the hole with tubing & packer to 6573'. Waited on acid pump truck. Rigged up acid pump & broke circulation with 31 bbls of 2% KCL water. Spotted 200 gals of 15% HCL across perforations. Moved & set packer @6316'. Pressured up on casing & packer to 500 psi, held. Broke formation down on water @3780 psi. Treated well with remaining 3500 gals of 15% HCL NeFe & 90 balls. Treated @3880 psi @2.6 BPM, did not see any ball action. ISIP = 3340 psi down to 2874 psi in 15 minutes. Bled tubing down to test tank. Began swabbing 114 bbl load back. On the 4th run had a 10% oil cut. Continued swabbing. Made a total of 12 runs. Recovered 71 bbls of fluid, fluid level @4400' from the surface on the last 3 runs of the day. Oil cut @50% with good gas show. Shut well in for the weekend.
- 12/10/12 SITP = 350 psi. Flowed 5 bbls of oil to the test tank. 1st swab run had fluid level at 2000' from the surface. Pulled 600' of oil & 800' of water. Continued swabbing. Recovered 30 bbls of fluid with 50% oil cut. Swabbed dry & waited one hour between runs. Had 800' of entry every hour, 90% oil cut. Recovered 41 bbls of fluid. Shut well in for the night.
- 12/11/12 SITP = 180 psi, fluid level @4800' from the surface. Pulled 800' of free oil & 700' of oil, water & gas mix. Made 2 more runs & dried well up. NDBOP & flanged up wellhead. Shut well in. RDMOPU. Waiting on frac.

TUBING DETAIL

194 – jts 2-3/8" tubing
1 – 2-3/8" seat nipple
1 – Model "R" packer @6802'

(FRAC JOB)

- 01/21/13 Rigged up slick wireline truck & ran Static Bottom Hole Pressure Survey with gradient stops. BHP = 2260 psi. Bled well down to half pit, NDWH & NUBOP. Released packer & tripped out of the hole with tubing. SWIFN. Set 4 frac tanks & filled each tank with 500 bbls of fresh water.
- 01/22/13 NDBOP & NU 5K frac valve. Laid steel line to flow back tank. SWINFN

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DAILY COMPLETION REPORT

- 01/23/13 NU Oil States casing saver. Rigged up ProPetro frac equipment. Frac Paddock formation (6516 – 71') down the 5½" casing w/1,000 gals of 15% HCL acid, 55,000 gals 15# gel & 58,000 lbs 20/40 premium sand staged from 0.5 to 3.5 ppg. Included 10,000# of 20/40 SLC resin coated sand on the last stage. Took 6 bbls to load the casing. Broke down @4 bpm & 3200 psi. Treated with Average rate = 40 bpm, Max rate = 41 bpm, Avg psi = 4300 psi, Max psi = 4559 psi. ISIP = 3694 psi, 5 min = 3122 psi, 10 min = 2906 psi, 15 min = 2785 psi. Total load = 1313 bbls. SWIFN. Rigged down all equipment.
- 01/24/13 SICP = 1500 psi. Opened up to test tank with choke set at 16/64". Flowed back 80 bbls of slick water in 2 hours, casing pressure dropped to 250 psi. Opened choke all the way & pressure dropped to 0 psi. Hooked vacuum truck onto casing & began pulling slight flow into vacuum truck. ND 5K frac valve & NUBOP. Ran in the hole with notched collar. Tagged sand at 6,945' (428' below bottom perms). Pulled out of the hole with tubing. Picked up production assembly & tripped in the hole with tubing. NDBOP, set TAC & flanged up wellhead. Flowed 50 bbls water to the vacuum truck while tripping pipe. Recovered a total of 130 bbls water. Left open to the flowback tank overnight.

TUBING DETAIL

- 198 - jts 2-3/8" tubing
 - 1 - 2-3/8" x 5-1/2" TAC
 - 2 - jts 2-3/8" tubing
 - 1 - 2-3/8" SN @6,502'
 - 1 - perf sub
 - 1 - jt 2-3/8" mud joint

- 01/28/13 Ran in the hole with new pump & used rods. Spaced out pump. Stacked out on the stuffing box. Will move pumping unit in on the 29th. RDMOPU.

ROD DETAIL

- 96 – 7/8" steel rods
- 153 – 3/4" steel rods
 - 9 – 7/8' steel rods
 - 1 – No tap tool
 - 1 – 7/8" x 4' sub w/guides
 - 1 – Backoff tool
 - 1 – 2-3/8" x 1-1/2" x 20' pump
 - 1 – 1" x 10' extension
 - 1 – Sand screen