

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

HOBBS OCD

AUG 02 2017

RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. LC-059152b ✓

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

OCD-HOBBS

8. Well Name and No. Paddy 24 Federal No. 1 ✓

2. Name of Operator CML Exploration, LLC ✓

9. API Well No. 30-025-37378

3a. Address P.O. Box 890
Snyder, TX 79550

3b. Phone No. (include area code)
(325) 573-0750

10. Field and Pool or Exploratory Area
Wildcat G-03 S173318N; Yeso 97727

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660 ~~600~~ FNL & 400' FEL Sec. 24, T-17-S, R-32-E ✓

11. Country or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CML Exploration, LLC is requesting permission to temporarily abandon the above mentioned well. This well was completed in Jan. 2006 and has produced 78,000 bbl of oil and 46,000 MCF since then and currently produces on average 3.8 BOPD, 107 BWPD & 0 MFCD. In December of 2012, an attempt was made to re-stimulate the producing interval by hydraulic fracturing, but was unsuccessful. Based on our current operating costs this well has already surpassed it's economic limit and is currently producing to stay in compliance and keep the wellbore open for future field development.

Work has been completed under our previous authorization to TA the well & a CIT was performed. This test was witnessed by Steven with the BLM.

Attached to this form is the TA workover report, TA well bore & CIT pressure chart.

TA status accepted untill 06/27/2018 with attached written order.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Jordan Owens

Engineer
Title

Signature *Jordan Owens*

Date

06/28/2017

ACCEPTED FOR RECORD

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title *TPET* *Ph Swartz* *07/21/17*
Office **BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Accepted for Record Only
MKS/OCD 8/8/2017

RBDMS-CHART-✓

CML EXPLORATION, LLC
P.O. BOX 890
SNYDER, TX 79550
325-573-1938

CML EXPLORATION, LLC FILE

PADDY 24 FEDERAL NO. 1

Workover Report

06/26/17 MIRUPU. Pulled out of the hole with rods & pump. Laid down rods & pump. Hot water tubing with 40 bbls of produced water. NDWH & released TAC. Pulled out of the hole with tubing. Shut well in for the night.

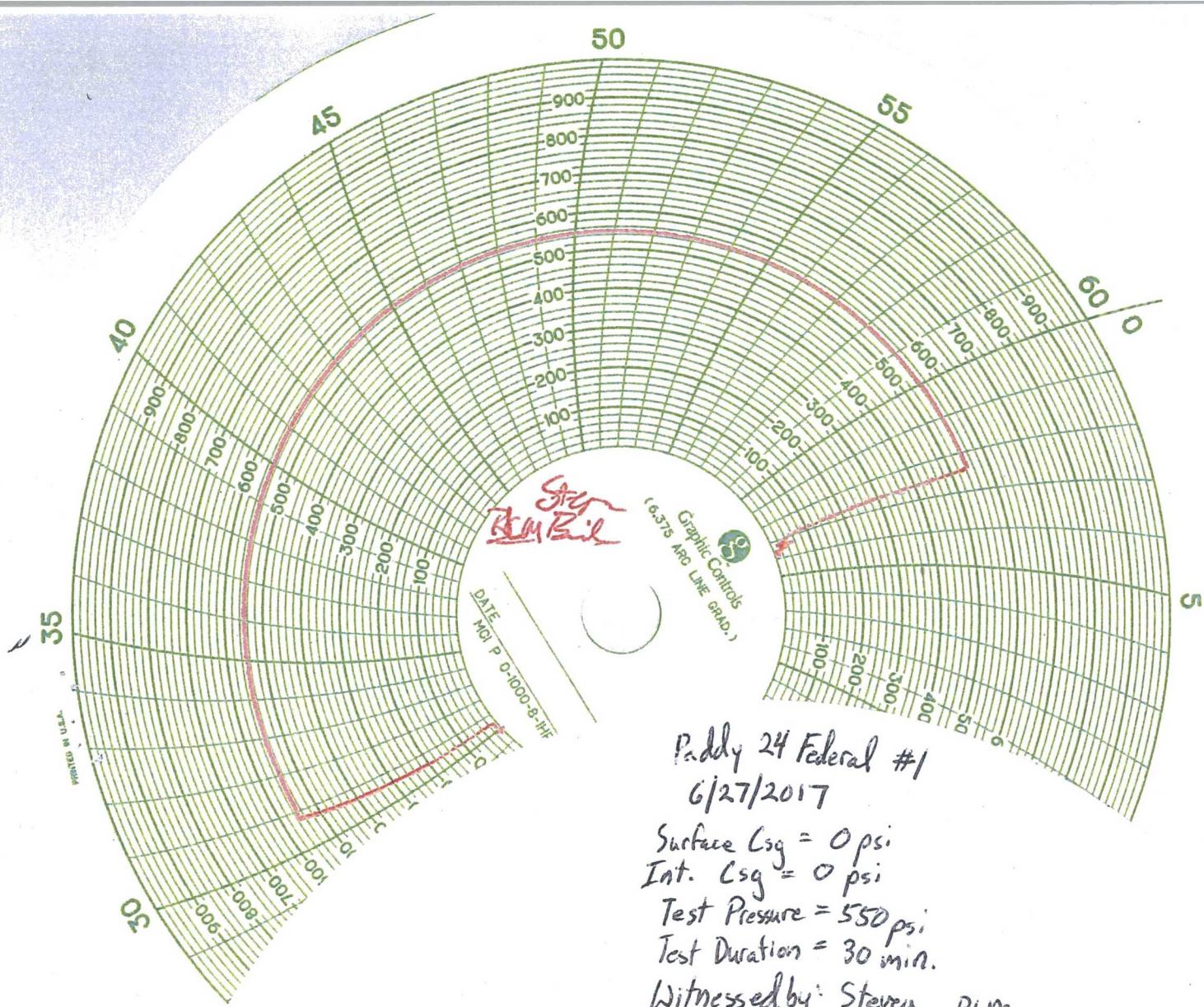
06/27/17 Rigged up wireline truck, set CIBP @5800' & bale dumped 35' of cement on top of plug. Top of cement plug @±5765'. Ran in the hole with 178 jts of 2-7/8" tubing & 2-3/8" seat nipple to 5700'. NDBOP, flanged up wellhead. Rigged up pump truck & circulated casing with 200 bbls of packer fluid. Pressure tested casing to 550 psi & rigged down. CIT witnessed by Steven with Bureau of Land Management. RDMOPU.

TUBING DETAIL

178 – jts of 2-7/8" J55 tubing

1 – 2-3/8" seat nipple w/x-over @5700'

WELL IS TEMPORARILY ABANDONED



*Steven
BLM*

Paddy 24 Federal #1
6/27/2017
Surface Csg = 0 psi
Int. Csg = 0 psi
Test Pressure = 550 psi
Test Duration = 30 min.
Witnessed by: Steven, BLM

GANDY Corp
MICK S
UNIT 610

CML Exploration, LLC
Paddy - 01, API 3002537378
T17S-R32E, Sec 24, 660FNL & 400FEL

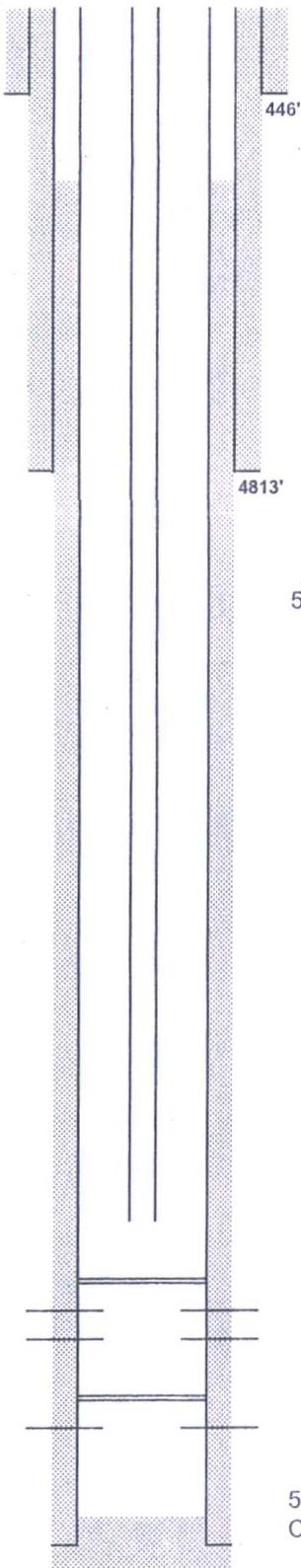
07/20/2017 TA status accepted for record (with an attached written order) for the period of 06/27/2016 until 06/27/2018. pswartz

Compliant well status beyond 06/27/2018 requires:

- 1) a notice of intent procedure to return the wellbore to “beneficial use”.
- 2) a notice of intent procedure to abandon the well.
- 3) a subsequent sundry describing installed equipment that will display continuous open to the air packer fluid level above the casing vent.
 - Notify BLM’s authorized officer (“Paul R. Swartz” <pswartz@blm.gov>, cell phone 575-200-7902) to arrange for approval of the annular monitoring system.
 - Loss of more than the surface packer fluid supply volume within a month requires BLM notification. Gain of annular fluid pressure requires BLM notification within 24 hours.
 - June of each year submit a Form 3160-5 subsequent sundry report noting any required maintenance of the packer fluid level with justification for continued TA acceptance by BLM.
 - The BLM idle well (inactive - no beneficial use) time limit generally is 5 years.

Federal Oil & Gas leases are held by well production or actively drilling for production during the end of the primary term of the lease. A TA status will not hold the lease.

- 1) If you do not comply as noted, you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outline in 43 CFR 3163.1, and may also incur civil penalties (43CFR 3163.2). All self-certified corrections must be postmark no later than the next business day after the prescribed time frame for correction.
- 2) Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who “knowingly or willfully” prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.
- 3) A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



Legal Description: **API # 30-025-37278**
400' FEL, 660' FNL, Sec 24, T-17-S,R-32-E Survey
Lea County New Mexico

Spudded: 10/26/2005
 TD: 12/1/2005
 Completed: 1/21/2006

17 1/2" hole
 13 3/8" 48# J55
 set @ 446'
 500 sx cement

Stimulation: (6050-53) 500 gals 15% HCL
 12/28/05 CIBP @ 6000' w/ 20' cement
 12/31/05 (5854 - 68') 1500gal15%HCL
 12/4/08 - 3000 gals of 20% HCL + 100 balls
 3/22/12 - 500 gals xylene + 2500 gals of 15%
 HCL & 100# rock salt
 12/19/12 Frac 52K gals 15# gel & 62K lbs of
 16/30 sand

11" hole
 8 5/8" 32# J-55
 set @ 4813'
 2960sx cement., TOC = surface'

5 1/2" TOC @1700' (CBL)

PRESSURE DATA
 NONE

Production Tbg
 178 jts 2 7/8" tubing
 1- 2 3/8" seat nipple w/ x-over @ 5700'

Top of Cement @ 5765'
TA PLUG set @ 5800'

Paddock Perfs
5854-68' (4 spf) 56 holes

5 1/2" CIBP @ 6000' w/ 20' cement

6050-53' (4 spf)

5 1/2"17#- J-55 @ 6195'
 Cmt'd w/ 500 sks

PBTD: 5980'
 TD: 6200'