

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  
May 27, 2004

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

|   |
|---|
| WELL API NO.<br>30-025-38591  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>303999  |
| 7. Lease Name or Unit Agreement Name<br>PADDY 19 STATE  |
| 8. Well Number 3  |
| 9. OGRID Number<br>256512   |
| 10. Pool name or Wildcat<br>MALJAMAR; PADDOCK, EAST   |

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<br>CML EXPLORATION, LLC   |
| 3. Address of Operator<br>P.O. BOX 890<br>SNYDER, TX 79550  |
| 4. Well Location<br>Unit Letter F : 2140 feet from the NORTH line and 1650 feet from the WEST line<br>Section 19 Township 17-S Range 33-E NMPM County LEA |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>4091' GL  |

|  |
|--|
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>                                 |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                  |

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

NOTICE OF INTENTION TO:

|   |   |
|---|---|
| PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>              | CHANGE PLANS <input type="checkbox"/>     |
| PULL OR ALTER CASING <input type="checkbox"/>             | MULTIPLE COMPL <input type="checkbox"/>   |
| OTHER: <input type="checkbox"/>                           |   |

SUBSEQUENT REPORT OF:

|  |  |
|--|--|
| REMEDIAL WORK <input checked="" type="checkbox"/>          | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS <input checked="" type="checkbox"/> | P. AND A <input type="checkbox"/>        |
| CASING/CEMENT JOB <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.

12/05/07 420' - Moved in & rigged up Patterson-UTI Drilling Rig #54. Drilled (bit #1 - 17½") & surveyed. Spudded well @12:00 p.m. 12/04/07.  
12/06/07 420' - Ran 10 jts 13-3/8" 48# ST&C casing w/5 centralizers, set @419'. Cemented w/500 sx class "C" w/2% CCL. Plug down @12:15 p.m. CST. Circulated 150 sx cement to reverse pit. Waiting on cement.  
12/07/07 420' - Tested BOP, drilled cement, float & shoe  
12/08/07 1225' - Drilled & surveyed (bit #2 - 12¼").  
12/09/07 2378' - Drilled & surveyed.  
12/10/07 2600' - Drilled, surveyed, trip for #3 (12¼"), ream from 2569 - 2600'.  
12/11/07 3112' - Drilled & surveyed.  
12/12/07 3525' - Drilled & surveyed.  
12/13/07 3907' - Drilled & surveyed.  
12/14/07 4239' - Drilled.  
12/15/07 4450' - Drilled, surveyed & trip for bit #4 (12¼")  
12/16/07 4663' - Drilled  
12/17/07 4800' - Drilled & trip because of plugged BHA with cuttings.  
12/18/07 4826' - Drilled & started running 8-5/8" casing  
12/19/07 4826' - Washing to bottom

RECEIVED

JAN 15 2008

HOBBS OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Nolan von Roeder TITLE Engineer DATE 01/04/08

Type or print name Nolan von Roeder

E-mail address: vonroedern@cmlxp.com

Telephone No. 325/573-1938

For State Use Only

APPROVED BY: Chris Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE JAN 28 2008

Conditions of Approval (if any):

12/20/07 4826' - Washed back to bottom with bit. Circulated 2 hrs. Short tripped drillpipe & shut down 1 hr, had 200' of fill. Put 13# mud in hole, still had some waterflow. Short tripped again & shut down 1 hr, no fill. Pulled out to run casing.

12/21/07 4826' - Ran 8-5/8" casing to 4566', could not wash any deeper. Circulating pressure went to 1500 psi & casing stuck. Halliburton pressured up to 2000 psi, could not circulate. Rigged up wireline truck & ran free point & found casing 100% stuck @900'. Put on cement head. Pressured casing to 3100 psi & got circulation back. Casing still stuck. Circulated H2S gas out. Picked up BOP & set slips before cementing.

12/22/07 4826' - Ran 112 jts 8-5/8" 32# STC casing. Ran 10 centralizers. KB setting depth @4531.51'. Cemented w/2400 sx HLPP & tailed w/250 sx Premium Plus. Plug down @9:10 a.m. CST 12/21/07. No cement circulated to surface. Float held. Ran temperature survey - top of cement @1292'. Waited on cement. Nipple up & test BOP.

12/23/07 5405' - Drilled & surveyed. Bit #5 (7-7/8")

12/24/07 5790' - Drilled & surveyed.

12/25/07 6200' - Drilled & trip out of hole to log well.

12/26/07 6200' - Logged & circulating waiting on laydown machine.

12/27/07 6200' - Ran 146 jts 17# J55 LTC casing w/48 turbolizers & 25 centralizers. KB setting depth @6200'. Cemented w/550 sx "C" 50/50 Poz w/.5% LAP2,.3% CFR3, 3% salt + 2% gel. Plug down @10:34 pm. CST 12/26/07. Float held.

**Rig released @9:30 a.m. 12/27/07.**