

Submit 1 Copy 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  
October 13, 2009

RECEIVED

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

DEC 09 2010

HOBBES

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. 30-025-39919 ✓
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. 38326
3. Address of Operator P.O. BOX 890 SNYDER, TX 79550		7. Lease Name or Unit Agreement Name BEAMS 15 STATE ✓
4. Well Location Unit Letter <u>F</u> : <u>1650</u> feet from the <u>NORTH</u> line and <u>2180</u> feet from the <u>WEST</u> line Section <u>15</u> Township <u>17S</u> Range <u>33E</u> NMPM County <u>LEA</u> ✓		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4172' GR		9. OGRID Number <u>256512</u> ✓
		10. Pool name or Wildcat SANMAL; PENN ✓

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

10/15/10 636' - Rigged up Patterson UTI Drilling Co Rig #75. Drilled (Bit #1 - 17½") & surveyed. Spudded well 2:00 p.m. MST 10/15/10.

10/16/10 1190' - Drilled & surveyed.

10/17/10 1522' - Drilled.

10/18/10 1522' - Ran 38 jts 13-3/8" 54.5# J55 STC casing, set @1522'. Ran 10 centralizers. Cemented w/1200 sx of HalCem C w/4% gel, 0.125#/sk polyflakes + 250 sx "C" w/.2% CaCl, 0.125#/sk polyflakes. Circulated 454 sx cement to pit. Plug down @1:00 a.m. MST 10/19/10. Waiting on cement.

10/19/10 1522' - Cut conductor, casing & weld on wellhead, nipple up BOP & test & pick up BHA.

10/20/10 2204' - Drilled cement, drilled & surveyed. Bit #2 (12¼").

10/21/10 3220' - Drilled & surveyed.

10/22/10 3601' - Drilled & surveyed.

10/23/10 3887' - Drilled, surveyed & trip for bit #3 (12¼")

10/24/10 4301' - Drilled & surveyed.

Spud Date:

10/15/2010

Rig Release Date:

12/03/2010

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 11/06/10

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 DEC 10 2010

Conditions of Approval (if any)

10/25/10 4611' - Drilled, surveyed & laying down drill collars.  
 10/26/10 4611' - Ran 110 jts 8-5/8" casing, set @4611'. Ran 10 centralizers. Cemented w/1500 sx EconoCem HLC, 5L% salt, 1/8#/sk polyflakes + 300 sx "C" net. Circulated 280 sx to the pit. Plug down @4:02 p.m. MST 10/26/10. Waiting on cement  
 10/27/10 4688' - Nipple up BOP & test, pick up BHA, trip & tag cement @4525', drilled cement & plug, drilling. Bit #4 (7-7/8")  
 10/28/10 5482' - Drilled & surveyed.  
 10/29/10 6252' - Drilled & surveyed.  
 10/30/10 7050' - Drilled & surveyed.  
 10/31/10 7430' - Drilled & tripped for bit #5 (7-7/8").  
 11/01/10 7885' - Drilled & surveyed.  
 11/02/10 8435' - Drilled & surveyed.  
 11/03/10 8868' - Drilled & surveyed.  
 11/04/10 9171' - Drilled, surveyed & trip for bit #6 (7-7/8").  
 11/05/10 9525' - Drilled & surveyed.  
 11/06/10 10,030' - Drilled & surveyed.  
 11/07/10 10,175' - Drilled & trip to check drill collars.  
 11/08/10 10,348' - Drilled & trip for bit #7 (7-7/8")  
 11/09/10 10,588' - Drilled, surveyed & trip for bit #8 (7-7/8")  
 11/10/10 10,790' - Finished trip for bit & drilled.  
 11/11/10 11,080' - Drilled & surveyed.  
 11/12/10 11,370' - Drilled.  
 11/13/10 11,598' - Drilled & surveyed.  
 11/14/10 11,708' - Drilled & trip for bit #9 (7-7/8")  
 11/15/10 11,898' - Drilled & surveyed.  
 11/16/10 12,050' - Drilled & surveyed.  
 11/17/10 12,074' - Drilled, trip for bit (no cones on bit), waiting on magnet & junk basket to fish bit #9.  
 11/18/10 12,074' - Fishing for bit (recovered 2 pieces of cone & 17 bearings)  
 11/19/10 12,074' - Fishing (recovered 9 pieces of cones)  
 11/20/10 12,074' - Fishing & rig repair  
 11/21/10 12,130' - Recovered fish, started back to drilling (Bit #10 - 7-7/8"), trip out of hole for bit.  
 11/22/10 12,196' - Finished trip & drilling (Bit #11 - 7-7/8")  
 11/23/10 12,317' - Drilling  
 11/24/10 12,196' - Drilled, rig repair & started trip for bit  
 11/25/10 12,365' - Finished trip & drilled. Bit #12 - 7-7/8"  
 11/26/10 12,545' - Drilled  
 11/27/10 12,820' - Drilled & surveyed.  
 11/28/10 13,078' - Drilled.  
 11/29/10 13,100' - Drilled & trip out of logs  
 11/30/10 13,100' - Logging & started laying down drillpipe.  
 12/01/10 13,100' - Finished laying down drillpipe, circulated & started laying down drill collars  
 12/02/10 13,100' - Finished laying down drill collars, ran 330 jts 5 1/2" casing, set @13,074'. Ran 25 centralizers & 50 turbolizers across pay zones. Cemented 1<sup>st</sup> stage w/400 sx of EconoCem-H w/0.2% HR-601 + 550 sx VersaCem - PBSH2 w/0.5#/sk LAP-1, 1 #/sk salt, 0.25 #/sk D-Air 3000, 0.4% CFR-3, 0.3% HR601. Circulated 46 sx to the pit. Cemented 2<sup>nd</sup> stage w/400 sx of VersaCem - PBSH2 w/0.5 #/sk LAP-1, 1 #/sx salt, 0.25 #/sk D-Air 3000, 0.4% CFR-3, 0.3% HR601. Plug down @6:00 a.m. CST 12/03/10.  
 12/03/10 13,100' - Rigged down cementers, nipple down, hung BOP, set slips, cleaned pits, laid down BOP, nipple up wellhead & rigged down.

**RIG RELEASED @2:00 P.M. CST 12/03/10**