

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

WELL API NO. 30-015-32176
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Huggie Bear State Com
8. Well Number 1
9. OGRID Number 15363
10. Pool name or Wildcat Anderson; Wolfcamp, North

4. Well Location Unit Letter H : 1420 feet from the N line and 990 feet from the E line Section 2 Township 17S Range 28E NMPM County Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3576' GL	

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 ☒ Gas Well ☐ Other

2. Name of Operator
Murchison Oil & Gas, Inc.

3. Address of Operator
7250 Dallas Parkway, Ste. 1400, Plano, TX 75024

4. Well Location
Unit Letter **H** : **1420** feet from the **N** line and **990** feet from the **E** line
Section **2** Township **17S** Range **28E** NMPM County **Eddy**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3576' GL

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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: Add Perforations and Commingle ☒

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.

Murchison Oil & Gas respectfully requests permission to add perforations to the existing wellbore in the Abo (6834'-6848', 6872'-6896') and Wolfcamp (7488'-7496') and frac as described in the attached.

Commingle Approval is from Santa Fe!
Please Submit Paperwork to Santa Fe

NM OIL CONSERVATION
ARTESIA DISTRICT

APR 06 2015

RECEIVED

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Vice President Operations DATE April 1, 2015

Type or print name Gary Cooper E-mail address: gcooper@jdmii.com PHONE: 972-931-0700

For State Use Only

APPROVED BY: [Signature] TITLE Dist. Sec. Supervisor DATE 4/28/15
Conditions of Approval (if any):

MURCHISON OIL & GAS INC.

Huggie Bear State Com #1
30-015-32176
1420 FNL, 990 FEL, Sec 2 T17S, R28E
Eddy County, NM

Recompletion Procedure

The subject well is currently producing from the Abo interval at 6778' – 6826' at 0.75 BOPD + 1 mcfg/d + 6 BWPD. The proposal is to add perfs to the currently producing Abo and the previously producing Wolfcamp, frac the zones separately, and return the well to production.

Casing:

Surface – 13 3/8", 68#, J55 @ 218' w/ cmt circ
Intermediate - 9 5/8", 43.5#, P110 @ 2176' w/ cmt circ
Production - 5 1/2", 17#, N80 @ 7861' w/ TOC at 2860' w/ CBL

Tubing:

2 7/8", 6.5#, N80 EUE 8rd (216 jts) at 6876' w/ SN at 6840' and TA/C at 6681'

Existing perfs:

Abo – 6778'-6788', 6804' – 6814', 6822' – 6826'

Wolfcamp – 7434' – 7440', 7532' – 7544' (Wolfcamp currently isolated by RBP at 7000')

Proposed additional perfs:

Wolfcamp – 7488'-7496'; Abo – 6834'-6848', 6872'-6896'

PROCEDURE:

1. Notify OCD of activities.
2. MIRU service rig.
3. TOH with rods and tubing.
4. Retrieve RBP at 7000'.
5. Perforate Wolfcamp 7488'-7496' w/ 4spf.
6. TIH with packer and set at 7300'.
7. Frac Wolfcamp with 100,000# 20/40 sand.
8. Set CBP at 7000'.
9. Perforate Abo 6834' – 6848', 6872' – 6896' w/ 2spf.
10. Acidize Abo and ball out. Run GR-JB to knock balls off of perfs.
11. Frac Abo with 300,000# 20/40 sand.
12. Drill out CBP.
13. TIH with pumping assembly, swab well to evaluate.
14. Run pump and rods and return well to production.

GRC 3/30/15