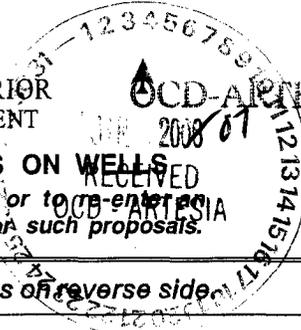


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

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.



SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
MURCHISON OIL & GAS, INC.

3a. Address
1100 MIRA VISTA BLVD., PLANO, TX. 75093-4698

3b. Phone No. (include area code)
972-931-0700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SURF. LOC. 660' FSL & 860' FEL BHL: 760' FNL & 760' FEL
SEC. 4, T17S, R23E

5. Lease Serial No.
NM 108988

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
DAINWOOD DRAW FED 4 #1

9. API Well No.
30-015-35175

10. Field and Pool, or Exploratory Area
WILDCAT WOLFCAMP

11. County or Parish, State
EDDY CO., NM.

12. CHECK 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"/> Fracture Treat	<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 checked="" type="checkbox"/> Other RUN 9-5/8" CSG
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 recomplate 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Spud well @ 0930 Hrs on 12/9/200-6 with 17-1/2" hole and drill to 300'. Run 8 jts. of 13-3/8" N-80 68 #/FT BT&C. Set 13-3/8" casing @ 300'. Cement with 150 SXS RFC (10-2-A) + 5 PPS D24 1/8 PPS D130 and tail w/ 355 SXS C + 2% S1 + 1/8 PPS D130 + 5 PPS D24. Plug down @ 10:00 pm 12/9/06. Circ. 150 SXS to pit. WOC 8 Hrs. Cut off 13-3/8" csg., weld on wellhead. Test to 3000 PSI. Held OK. Nipple up BOP and test to 600 PSI. Held OK. WOC total of 24 Hrs. Trip in hole with 12-1/4" bit and drill cement and float collar. Test pipe rams & casing to 600 PSI. Drill out casing shoe and resume drilling formation w/ 12-1/4" bit.

Clark Bennett w/ BLM on location to watch cement and casing job.

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

MICHAEL S. DAUGHERTY

Title **VICE PRESIDENT OPERATIONS**

Signature

Michael S. Daugherty

Date

12/20/2006

ACCEPTED FOR RECORD

THIS 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

Office

Date

DEC 29 2006

Wesley W. Ingram
WESLEY W. INGRAM
PETROLEUM ENGINEER

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.