

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 182596

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MURCHISON OIL & GAS INC 1100 Mira Vista Blvd. Plano, TX 75093		2. OGRID Number 15363
4. Property Code 8127		3. API Number 30-025-41711
5. Property Name JACKSON UNIT		6. Well No. 040H

7. Surface Location

UL - Lot N	Section 22	Township 24S	Range 33E	Lot Idn N	Feet From 200	N/S Line S	Feet From 2290	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot C	Section 22	Township 24S	Range 33E	Lot Idn C	Feet From 330	N/S Line N	Feet From 2290	E/W Line W	County Lea
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9. Pool Information

TRIPLE X;BONE SPRING, WEST	96674
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3530
16. Multiple N	17. Proposed Depth 15700	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 5/15/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☐ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	16	13.375	54.5	1290	800	0
Int1	12.25	9.625	40	5225	1400	0
Prod	8.5	7	26	10800	700	3000
Prod	8.5	5.5	17	15700	400	10800

Casing/Cement Program: Additional Comments

An 8.5" monobore will be drilled from the 9-5/8" casing shoe to TD. A tapered string of production casing will be run from TD to surface and cemented in place.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Schaffer
Double Ram	5000	5000	Schaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Michael Daugherty	Approved By: Paul Kautz
Title: COO	Title: Geologist
Email Address: ccottrell@jdmii.com	Approved Date: 3/5/2014 Expiration Date: 3/5/2016
Date: 3/5/2014 Phone: 972-931-0700	Conditions of Approval Attached

N89°38'30"E 2639.39 FT		N89°38'30"E 2639.39 FT	
COMPUTED USING NAD83 ROW MAP HWY 128 DATED JULY 8, 2008 2290' BOTTOM OF HOLE LAT. = 32°12'34.047"N LONG. = 103°33'40.723"W	N/4 CORNER SEC. 22 SCALES COMPUTED USING NAD83 ROW MAP HWY 128 DATED JULY 8, 2008	E/4 CORNER SEC. 22 MAY - 32°13'15.122"N LONG. = 103°33'15.935"W	SURFACE LOCATION JACKSON UNIT #40H ELEV. = 3530.1' LAT. = 32°11'47.067"N (NAD83) LONG. = 103°33'40.731"W
NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) IN DEGREES MINUTES DECIMAL SECONDS FORMAT. BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST (NADS) COORDINATES MODIFIED TO SURFACE.			
SW CORNER SEC. 22 LAT. = 32°11'45.091"N LONG. = 103°34'07.377"W 2290'	S/4 CORNER SEC. 22 LAT. = 32°11'45.087"N LONG. = 103°33'31.814"W	SE CORNER SEC. 22 LAT. = 32°11'45.061"N LONG. = 103°33'05.912"W	DATE OF SURVEY: _____ SIGNATURE: _____ <i>(Signature)</i> CERTIFICATE NUMBER: _____ SURVEY NO. 2636
S89°30'53"W 2643.98 FT		S89°38'33"W 2638.73 FT	

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Form APD Comments
Permit 182596

PERMIT COMMENTS

Operator Name and Address: MURCHISON OIL & GAS INC [15363] 1100 Mira Vista Blvd. Plano, TX 75093		API Number: 30-025-41711
		Well: JACKSON UNIT #040H
Created By	Comment	Comment Date
pkautz	Land s/S	3/5/2014

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Form APD Conditions

Permit 182596

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MURCHISON OIL & GAS INC [15363] 1100 Mira Vista Blvd. Plano, TX 75093	API Number: 30-025-41711
	Well: JACKSON UNIT #040H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water