

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 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 184739

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

|                                                                                                     |  |                               |
|-----------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>MURCHISON OIL & GAS INC<br>1100 Mira Vista Blvd.<br>Plano, TX 75093 |  | 2. OGRID Number<br>15363      |
| 4. Property Code<br>8127                                                                            |  | 3. API Number<br>30-025-41789 |
| 5. Property Name<br>JACKSON UNIT                                                                    |  | 6. Well No.<br>034H           |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| P        | 9       | 24S      | 33E   | P       | 75        | S        | 393       | E        | Lea    |

**8. Proposed Bottom Hole Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| P        | 16      | 24S      | 33E   | P       | 330       | S        | 350       | E        | Lea    |

**9. Pool Information**

|                            |       |
|----------------------------|-------|
| TRIPLE X;BONE SPRING, WEST | 96674 |
|----------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3622 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>15700 | 18. Formation<br>2nd Bone Spring Sand  | 19. Contractor          | 20. Spud Date<br>8/1/2014          |
| 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             | 1200          | 700             | 0             |
| Int1 | 12.25     | 9.625       | 40               | 5200          | 1400            | 0             |
| Prod | 8.5       | 5.5         | 17               | 15700         | 1700            | 3000          |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**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.<br>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.<br><br>Signature: _____<br>Printed Name: Electronically filed by Michael Daugherty<br>Title: COO<br>Email Address: ccottrell@jdmii.com<br>Date: 4/15/2014 | <div style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></div> Approved By: Paul Kautz<br>Title: Geologist<br>Approved Date: 4/16/2014<br>Expiration Date: 4/16/2016<br>Conditions of Approval Attached |
| Phone: 972-931-0700                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                  |

District  
1623 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 343-0720  
District II  
311 S. First St., Artesia, NM 88218  
Phone: (505) 716-1287 Fax: (505) 716-8700  
District III  
1200 E. Brown Road, Aztec, NM 87401  
Phone: (505) 324-6175 Fax: (505) 324-6170  
District IV  
1230 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3400 Fax: (505) 476-3402

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                                   |         |                           |       |                       |                                |
|---------------------------------------------------|---------|---------------------------|-------|-----------------------|--------------------------------|
| 1 API Number                                      |         | 2 Prod Code               |       | 3 Prod Name           |                                |
| 59900                                             |         |                           |       | Triple X; Bone Spring |                                |
| 4 Property Code                                   |         | 5 Property Name           |       |                       | 6 Well Number                  |
| 8127                                              |         | JACKSON UNIT              |       |                       | 34H                            |
| 7 OGBID No.                                       |         | 8 Operator Name           |       |                       | 9 Elevation                    |
| 15363                                             |         | MURCHISON OIL & GAS, INC. |       |                       | 3522.0                         |
| 10 Surface Location                               |         |                           |       |                       |                                |
| UL or lot no.                                     | Section | Township                  | Range | Lot Idn               | Feet from the North/South line |
| P                                                 | 9       | 24 S                      | 33 E  | 75                    | SOUTH 393                      |
| 11 Bottom Hole Location If Different From Surface |         |                           |       |                       |                                |
| UL or lot no.                                     | Section | Township                  | Range | Lot Idn               | Feet from the North/South line |
| P                                                 | 16      | 24 S                      | 33 E  | 330                   | SOUTH 350                      |
| 12 Dedicated Acres                                |         | 13 Joint or Infill        |       | 14 Consolidation Code |                                |
|                                                   |         |                           |       | 15 Order No.          |                                |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

|                                                                                                                                                                                                                                                                            |  |                                                                                                 |  |                                                                        |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------|--|
| NW CORNER SEC. 9<br>LAT. = 32°14'21.345"N<br>LONG. = 103°35'01.882"W                                                                                                                                                                                                       |  | N/4 CORNER SEC. 9<br>LAT. = 32°14'21.877"N<br>LONG. = 103°34'38.118"W                           |  | NE CORNER SEC. 9<br>LAT. = 32°14'21.392"N<br>LONG. = 103°34'07.512"W   |  |
| NOTE: LATITUDE AND LONGITUDE COORDINATES ARE<br>3-DIGIT UNITS. THE NORTH AMERICAN DATUM OF<br>1983 (NAD83) AT 1000 FEET MINUTES. SEC. 9, 16<br>SECTIONS, TOWNSHIP 24 S, RANGE 33 E, COUNTY LEA,<br>NEW MEXICO STATE PLANE EAST (NAD83) COORDINATES<br>MODIFIED TO SURFACE. |  |                                                                                                 |  |                                                                        |  |
| W/4 CORNER SEC. 9<br>LAT. = 32°13'55.819"N<br>LONG. = 103°35'05.854"W                                                                                                                                                                                                      |  | S/4 CORNER SEC. 9<br>LAT. = 32°13'55.819"N<br>LONG. = 103°35'05.854"W                           |  | E/4 CORNER SEC. 9<br>LAT. = 32°13'55.819"N<br>LONG. = 103°34'07.512"W  |  |
| SECTION CORNER<br>LAT. = 32°13'55.819"N<br>LONG. = 103°35'05.854"W                                                                                                                                                                                                         |  | JACKSON UNIT #34H<br>C.D. = 3082.0'<br>LAT. = 32°12'30.317"N (NAD83)<br>LONG. = 103°34'11.943"W |  | SECTION CORNER<br>LAT. = 32°13'55.819"N<br>LONG. = 103°34'07.512"W     |  |
| W/4 CORNER SEC. 16<br>LAT. = 32°12'03.217"N<br>LONG. = 103°35'05.854"W                                                                                                                                                                                                     |  | S/4 CORNER SEC. 16<br>LAT. = 32°12'03.217"N<br>LONG. = 103°35'05.854"W                          |  | E/4 CORNER SEC. 16<br>LAT. = 32°12'03.217"N<br>LONG. = 103°34'07.512"W |  |
| SW CORNER SEC. 16<br>LAT. = 32°12'03.217"N<br>LONG. = 103°35'05.854"W                                                                                                                                                                                                      |  | BOTTOM OF HOLE<br>LAT. = 32°12'03.217"N<br>LONG. = 103°34'11.943"W                              |  | SECTION CORNER<br>LAT. = 32°12'03.217"N<br>LONG. = 103°34'07.512"W     |  |
|                                                                                                                                                                                                                                                                            |  | BOTTOM OF HOLE<br>LAT. = 32°12'03.217"N<br>LONG. = 103°34'11.943"W                              |  | SE CORNER SEC. 16<br>LAT. = 32°12'03.217"N<br>LONG. = 103°34'07.512"W  |  |

**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete  
to the best of my knowledge and belief, and that this organization does  
not own, lease, or otherwise control any interest in the land including  
the proposed bottom hole location or any right to drill there and at this  
location pursuant to a contract with the owner of such a mineral or mineral  
interest or to a royalty pooling agreement or a completion pooling  
order heretofore entered by the division.

Signature: Steve Morris Date: 04/15/2014

Printed Name: Steve Morris

E-mail Address: smorris@jdmii.com

**18 SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this  
plat was plotted from field notes of actual surveys  
made by me or under my supervision, and that the  
same are true and correct to the best of my belief.

APPROX. 20.4

Date of Survey: 04/15/2014

Signature and Seal of Surveyor: [Signature]

Certificate Number: 11-00000001, JARAMILLO, PLS 12/37

SURVEY NO. 20.0

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Phone:(505) 334-8178 Fax:(505) 334-8170  
**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 APD Comments  
  
Permit 184739

**PERMIT COMMENTS**

|                                                                                                           |         |                             |
|-----------------------------------------------------------------------------------------------------------|---------|-----------------------------|
| Operator Name and Address:<br>MURCHISON OIL & GAS INC [15363]<br>1100 Mira Vista Blvd.<br>Plano, TX 75093 |         | API Number:<br>30-025-41789 |
|                                                                                                           |         | Well:<br>JACKSON UNIT #034H |
| Created By                                                                                                | Comment | Comment Date                |

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Form APD Conditions

Permit 184739

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

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                           |                             |
|-----------------------------------------------------------------------------------------------------------|-----------------------------|
| Operator Name and Address:<br>MURCHISON OIL & GAS INC [15363]<br>1100 Mira Vista Blvd.<br>Plano, TX 75093 | API Number:<br>30-025-41789 |
|                                                                                                           | Well:<br>JACKSON UNIT #034H |

| OCD<br>Reviewer | Condition                                                                                                                                                                                                                                                            |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| pkautz          | Will require a directional survey with the C-104                                                                                                                                                                                                                     |
| 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          | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water                                                                                                                                                                 |
| pkautz          | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --                                                                                                                       |