

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 164659

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 30-025-41087
5. Property Name JACKSON UNIT		6. Well No. 017H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	15	24S	33E	A	200	N	970	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	15	24S	33E	P	330	S	970	E	Lea

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 3613
16. Multiple N	17. Proposed Depth 11200	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 10/1/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	16	13.375	54.5	1250	800	0
Int1	12.25	9.625	40	5160	1375	0
Prod	8.75	7	26	10920	700	4000
Liner1	6.125	4.5	11.6	15600	400	10820

Casing/Cement Program: Additional Comments

Cement with 35% excess and circulate to surface on surface casing and intermediate casing. Cement with 50% excess on production casing to bring TOC to 4000' MD. Cement liner with 25% excess to bring TOC to 10820' MD.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Schaffer
DoubleRam	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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , 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: 4/3/2013 Expiration Date: 4/3/2015
Date: 4/1/2013 Phone: 972-931-0700	Conditions of Approval Attached

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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 Pool Code 96674		³ Pool Name Triple X, Bone Spring, West	
⁴ Property Code 8127		⁵ Property Name JACKSON UNIT			⁶ Well Number 17H
⁷ OGRID No. 15363		⁸ Operator Name MURCHISON OIL & GAS, INC.			⁹ Elevation 3612.6

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	24 S	33 E		200	NORTH	970	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	15	24 S	33 E		330	SOUTH	970	EAST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

<p>S89°40'24"W 2638.66 FT</p> <p>NW CORNER SEC. 15 LAT. = 32°13'29.565"N LONG. = 103°34'07.368"W</p> <p>N/4 CORNER SEC. 15 LAT. = 32°13'29.527"N LONG. = 103°33'36.657"W</p> <p>JACKSON UNIT #17H ELEV. = 3612.6' LAT. = 32°13'27.531"N (NAD83) LONG. = 103°33'17.257"W</p> <p>NE CORNER SEC. 15 LAT. = 32°13'29.501"N LONG. = 103°33'05.968"W</p> <p>W/4 CORNER SEC. 15 LAT. = 32°13'03.443"N LONG. = 103°34'07.367"W</p> <p>E/4 CORNER SEC. 15 LAT. = 32°13'03.388"N LONG. = 103°33'05.953"W</p> <p>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 (NAD83) COORDINATES MODIFIED TO SURFACE.</p> <p>COMPUTED USING NMDOT ROW MAP HWY 128 DATED JULY 8, 2008</p> <p>S/4 CORNER SEC. 15 COMPUTED</p> <p>N89°38'39"E 2639.39 FT</p>		<p>S89°38'29"W 2636.74 FT</p> <p>SURFACE LOCATION</p> <p>200'</p> <p>970'</p> <p>N00°26'44"W 2639.47 FT</p> <p>N00°26'10"W 2639.25 FT</p> <p>COMPUTED USING NMDOT ROW MAP HWY 128 DATED JULY 8, 2008</p> <p>970'</p> <p>330'</p> <p>N89°38'39"E 2639.39 FT</p>		<p>¹⁵ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or in a voluntary pooling agreement or a compulsory pooling order previously entered by the Division.</p> <p>Signature: <i>Michael S. Daugherty</i> Date: 3/28/13</p> <p>Michael S. Daugherty, COO</p> <p>Printed Name</p> <p>mداugherty@jdmii.com</p> <p>E-mail Address</p>
<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 is true and correct to the best of my belief.</p> <p>MARCH 7, 2013</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Jeffrey A. Jaramillo</i></p> <p>Certificate Number: JEFFREY A. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 1656</p>				

Permit Comments

Operator: MURCHISON OIL & GAS INC , 15363

Well: JACKSON UNIT #017H

API: 30-025-41087

Created By	Comment	Comment Date
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT #P1-05981	4/3/2013

Permit Conditions of Approval

Operator: MURCHISON OIL & GAS INC , 15363

Well: JACKSON UNIT #017H

API: 30-025-41087

OCD Reviewer	Condition
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	In order to seal off protectable water, the surface casing must be set 25' below top of Rustler Anhydrite.