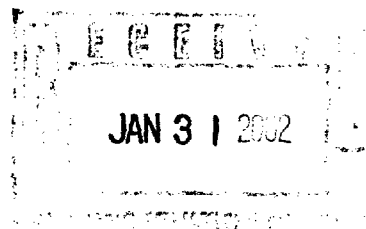


J.D. MURCHISON INTERESTS, INC.VIA CERTIFIED MAILMURCHISON OIL & GAS, INC.
MURCHISON ENERGY SERVICES, INC.

January 29, 2002

Mr. Michael Stogner
State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 South Saint Francis Dr.
Santa Fe, NM. 87505



**RE: UNORTHODOX LOCATION EXCEPTION
HIGH MESA STATE COM #1
1320' FSL & 1000' FEL, SEC. 2, T17S, R28E
EDDY CO., NM.**

Dear Mr. Stogner:

The referenced well was drilled at an orthodox location for the Morrow and Atoka formation. Unfortunately we were not successful in the Morrow and the Atoka production is marginal. We now would like to recompleate the well in the Wolfcamp formation from 7510' - 7524'.

The well's location is unorthodox for 40 acre spacing by virtue of Order No. R-11231. The Well Dedication and Acreage Plat Form C-102 for the well is attached. The well is 320 feet from the outer boundary of our lease but Murchison Oil & Gas, Inc. operates the offset acreage. Therefore a list of offset operators has not been included, but a current commercial land map is attached for your use and reference. Please note from the survey plat that although the well is 1320 feet from the south line, it is 25' from the quarter-quarter section line. Section 2 is not square and its dimensions are irregular. Also note that the E/2 of the SE/4 is all one lease. You may contact me if you have questions. MOGI respectfully requests that the Commission grant an exception to the well's location requirements of Rule 104 C (2) (a) in view of these circumstances.

Very truly yours,

MURCHISON OIL & GAS, INC.

Michael S. Daugherty
Vice President Operations

MSD/ct/HighMesaStCom#1-OCD-UnorthLocExc.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-31720	Pool Code 97183	Pool Name ANDERSON WOLFCAMP NORTH
Property Code	Property Name HIGH MESA STATE COM.	Well Number 1
OGRID No. 015363	Operator Name MURCHISON OIL & GAS, INC.	Elevation 3580'

Surface Location

UL or lot No. P	Section 2	Township 17-S	Range 28-E	Lot Idn	Feet from the 1320	North/South line SOUTH	Feet from the 1000	East/West line EAST	County EDDY
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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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

Dedicated Acres 40	Joint or Infill	Consolidation Code	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

LOT 4	LOT 3	LOT 2	LOT 1
41.40 AC	40.62 AC	39.30 39.78 AC	39.34 38.93 AC
39.30 39.34 78.64 8 158.64 16 318.64		LEASE BOUNDARY	
		SPACING UNIT	

OPERATOR CERTIFICATION

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

Michael S. Daugherty
Signature
MICHAEL S. DAUGHERTY
Printed Name
VICE PRESIDENT OPERATIONS
Title
1/29/02
Date

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 is true and correct to the best of my belief.

APRIL 10, 2001

Date Surveyed _____ AWB

Signature & Seal of Professional Surveyor
Ronald J. Eidson
04/12/01
01-11-0415

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12841

LOT 4	LOT 3	LOT 2	LOT 1
41.40 AC	40.62 AC	39.78 AC	38.93 AC
		LEASE BOUNDARY →	
		SPACING UNIT →	

OPERATOR CERTIFICATION

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

Signature
 MICHAEL S. DAUGHERTY
 Printed Name
 VICE PRESIDENT OPERATIONS
 Title
 1/29/02
 Date

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APRIL 10, 2001

Date Surveyed _____ AWB
 Signature & Seal of Professional Surveyor

Certificate No. RONALD J. EIDSON 3239
 GARY EIDSON 12641

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

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Property Code	Property Name HIGH MESA STATE COM.	Well Number 1
OCRID No. 015363	Operator Name MURCHISON OIL & GAS, INC.	Elevation 3580'

Surface Location

UL or lot No. P	Section 2	Township 17-S	Range 28-E	Lot Idn	Feet from the 1320	North/South line SOUTH	Feet from the 1000	East/West line EAST	County EDDY
--------------------	--------------	------------------	---------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------

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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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LEASE BOUNDARY SPACING UNIT			

OPERATOR CERTIFICATION

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

Michael Daugherty
Signature

MICHAEL S. DAUGHERTY
Printed Name

VICE PRESIDENT OPERATIONS
Title

1/29/02
Date

SURVEYOR CERTIFICATION

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APRIL 10, 2001

Date Surveyed _____ AWB

Signature _____ Seal of Professional Surveyor

Ronald J. Edson 04/12/01
01-11-0415

Certificate No. RONALD J. EDSON 3230
GARY EDSON 12641

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
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UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

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41.40 AC	40.62 AC	39.78 AC	38.93 AC
		LEASE BOUNDARY	
		SPACING UNIT	

OPERATOR CERTIFICATION

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

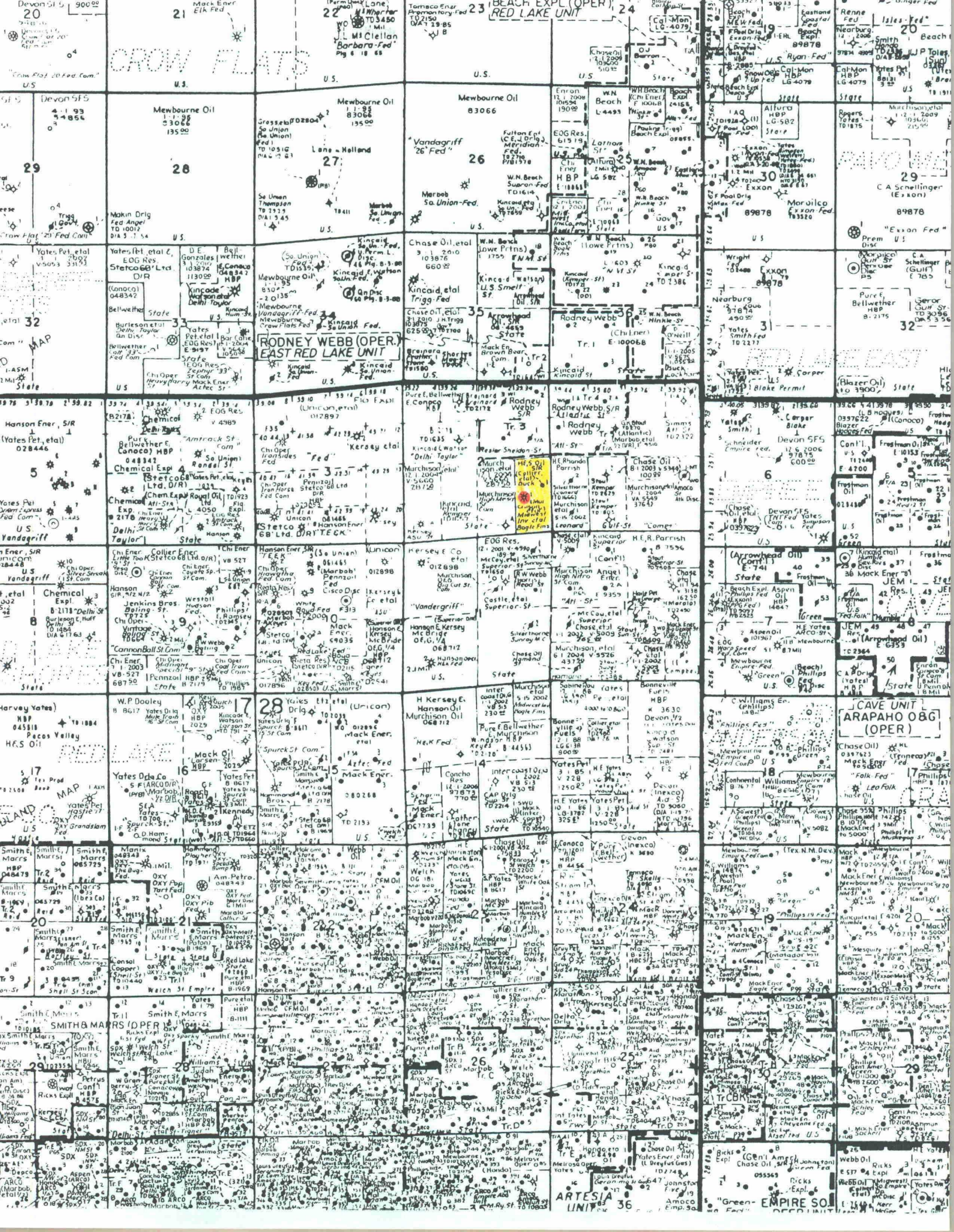
Michael S. Daugherty
Signature
MICHAEL S. DAUGHERTY
Printed Name
VICE PRESIDENT OPERATIONS
Title
1/29/02
Date

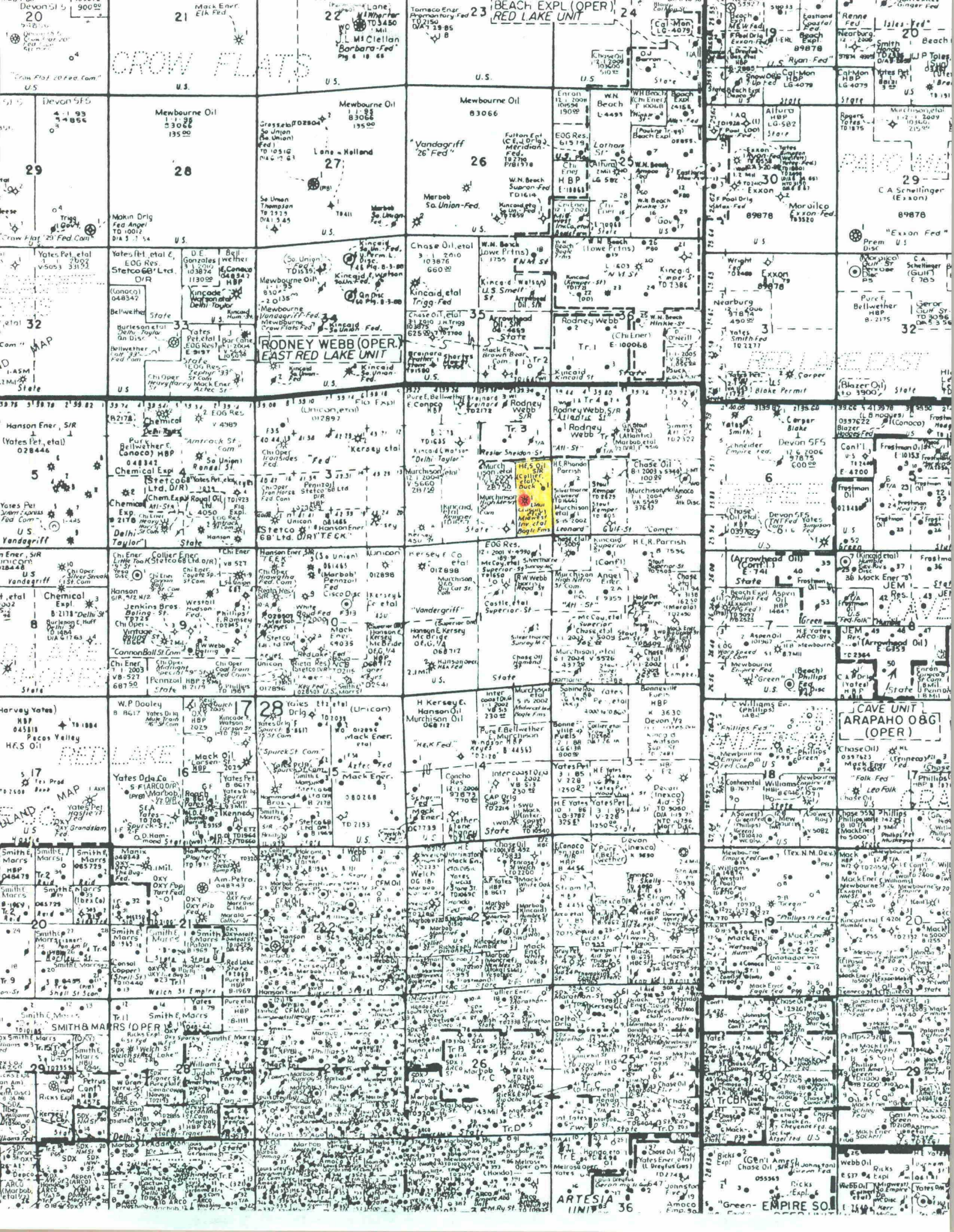
SURVEYOR CERTIFICATION

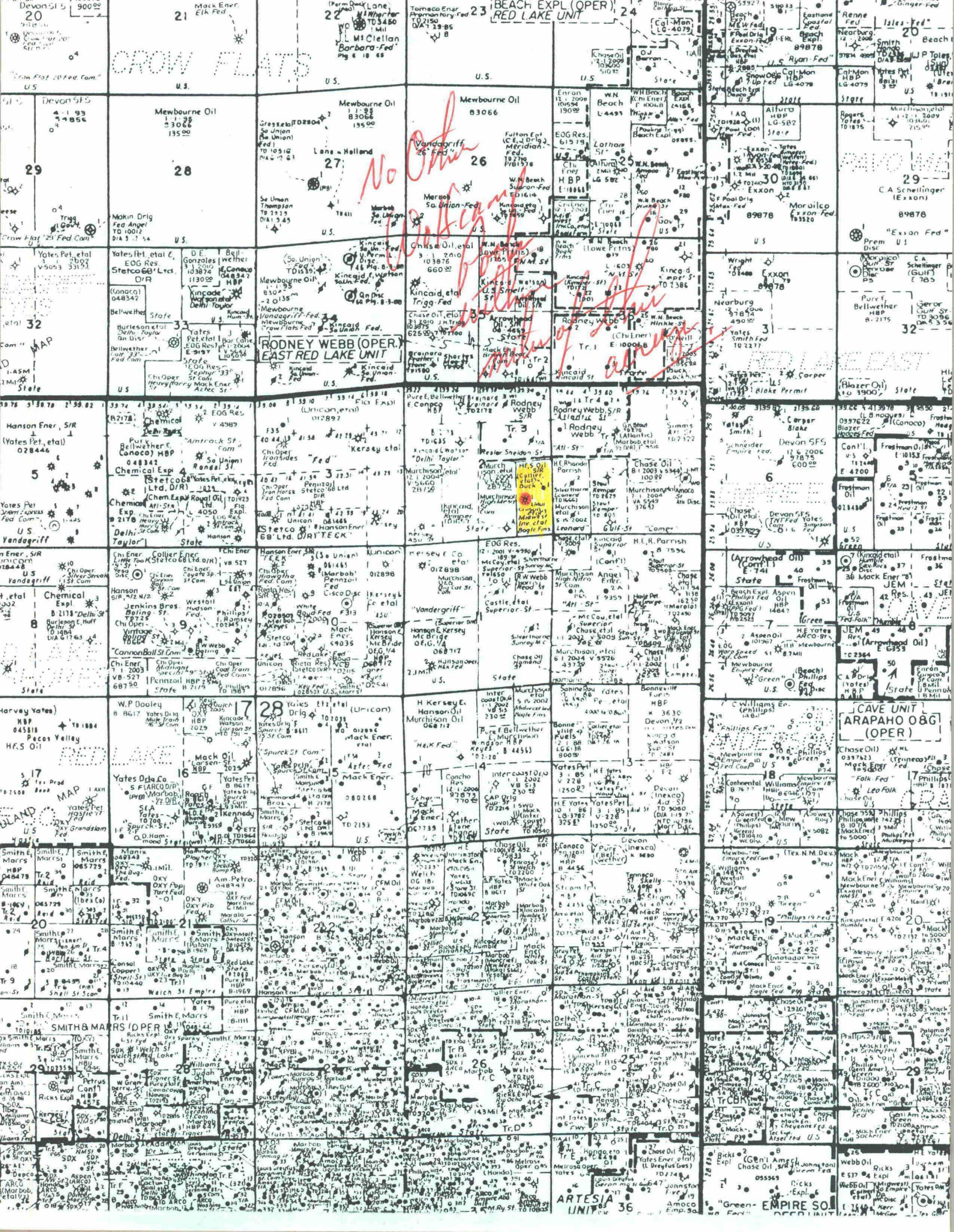
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 10, 2001

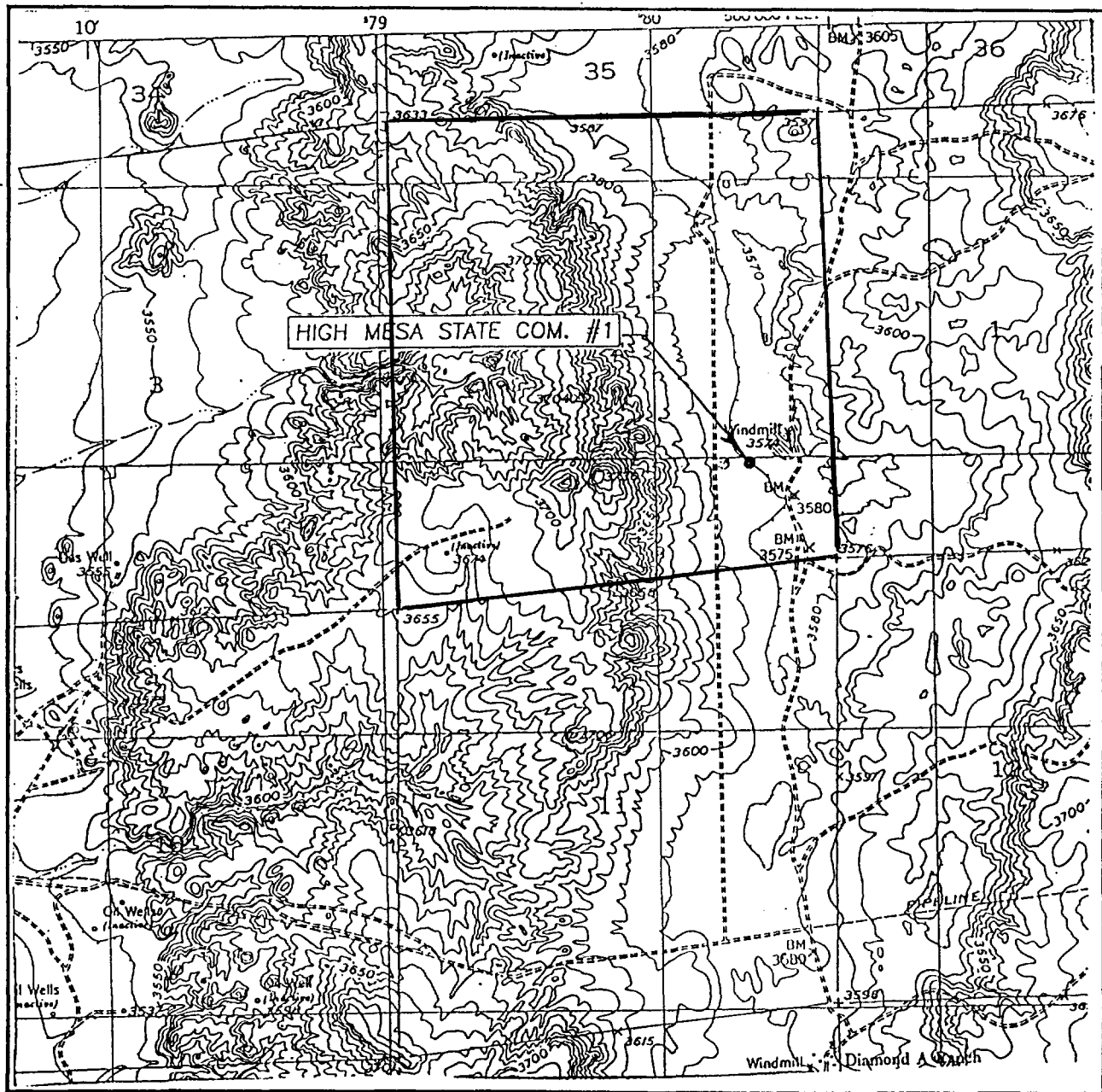
Date Surveyed
Signature & Seal of Professional Surveyor
RONALD J. EIDSON
Certificate No. 01-11-0415
RONALD J. EIDSON 3239
GARY EIDSON 12641







LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
RED LAKE, N.M.

SEC. 2 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1320' FSL & 1000' FEL

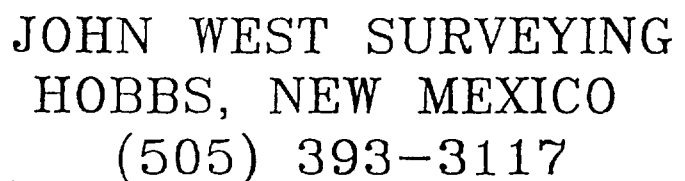
ELEVATION 3580'

OPERATOR MURCHISON OIL & GAS INC.

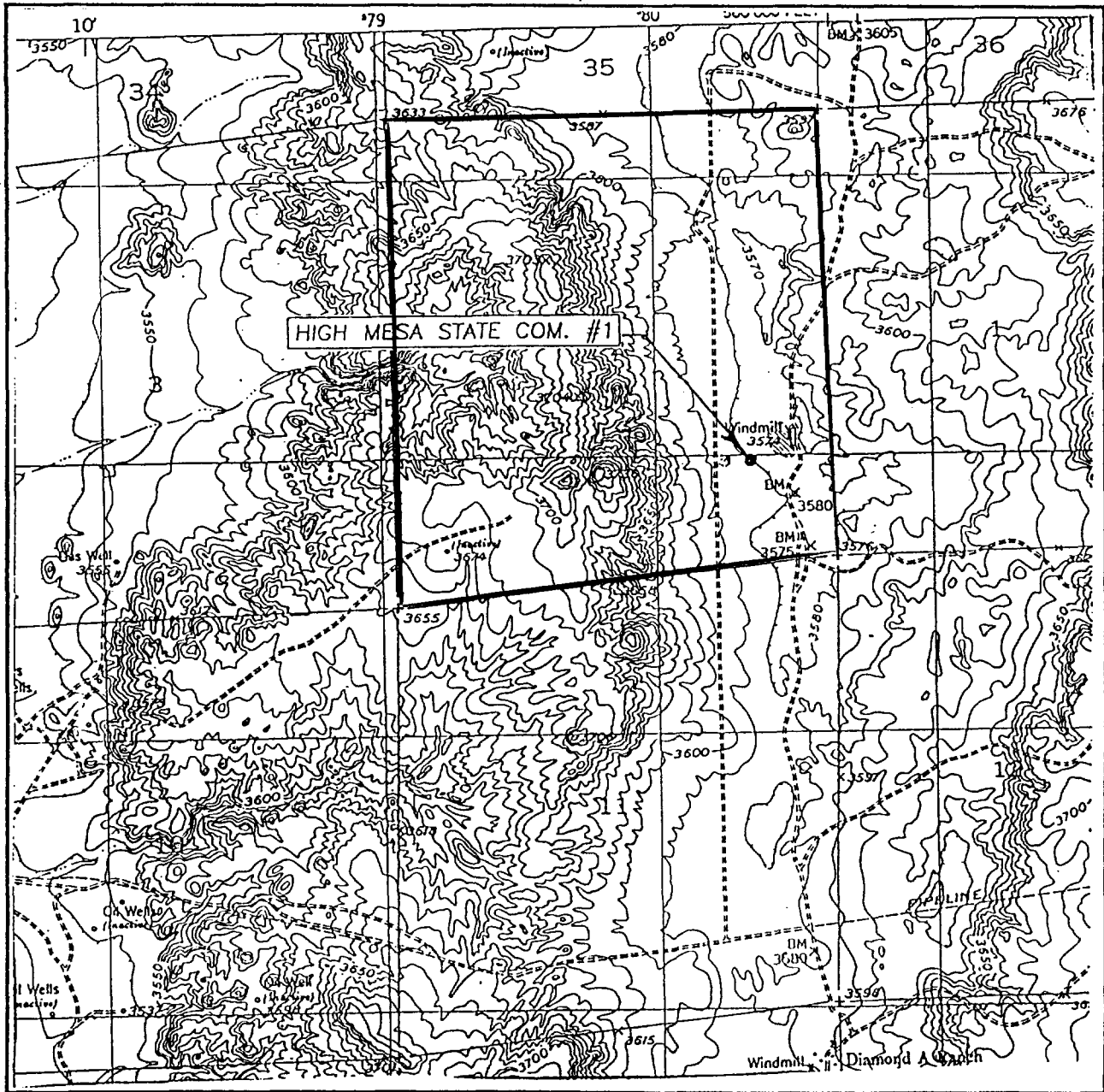
LEASE HIGH MESA STATE COM.

U.S.G.S. TOPOGRAPHIC MAP
RED LAKE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
RED LAKE, N.M.

SEC. 2 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1320'FSL & 1000'FEL

ELEVATION 3580'

OPERATOR MURCHISON OIL & GAS INC.

LEASE HIGH MESA STATE COM.

U.S.G.S. TOPOGRAPHIC MAP
RED LAKE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

February 8, 2002

Lori Wrotenbery

Director

Oil Conservation Division

Murchison Oil & Gas, Inc.
1100 Mira Vista Blvd.
Plano, Texas 75093-4698

Attention: Michael S. Daugherty

Re: *Administrative application for an exception to Division Rule 104.B (1) in the Wolfcamp formation for the existing High Mesa State Com. Well No. 1 (API No. 30-015-31720), recently drilled at a point 1320 feet from the South line and 1000 feet from the East line (Unit P) of irregular Section 2, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Daugherty:

This letter acknowledges your administrative application dated January 29, 2002 for an unorthodox Wolfcamp oil well location for the above described well. The Division received this application on January 31, 2002, and assigned it NMOCD application reference No. *pKRV0-203654132*. Please refer to this number in future correspondence with the Division.

Pursuant to my preliminary review of your application, clarification regarding notice is needed. As you are aware Division Rule 1207.A (2) (a) states:

"In the event the operator of the proposed unorthodox well is also the operator of an existing adjoining spacing unit and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit".

It was stated in your application "Murchison Oil & Gas, Inc. operates the offset acreage," being state lease V-05660 comprising the W/2 SE/4 of irregular Section 2. To clarify, does this mean that Murchison Oil & Gas, Inc. owns 100% of the working interest in the state lease? If not please identify each interest owner within this lease, show his or her percentage of ownership, and provide adequate notice as required.

Since the submitted information is insufficient to review, the application was ruled as incomplete on February 8, 2002. Please submit the above stated information by Friday, February 15, 2002.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465 or e-mail me at "mstogner@state.nm.us." Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia



February 19, 2002

NSV

FEB 21 2002

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
New Mexico Energy, Minerals & Natural Resources
1220 South St. Francis Drive
Santa Fe, NM 87505

VIA FAX (505) 476-3471

RE: pKRVO-203654132
WOLFCAMP OIL WELL LOCATION
HIGH MESA STATE COM #1

NSL-4702

Dear Mr. Stogner:

We are in receipt of your letter dated February 8, 2002, however not received in our office until February 18th. In response to your request for additional information regarding the offset acreage to our proposed new Wolfcamp location, please be advised that Murchison Oil & Gas is the sole owner of New Mexico State Lease V-05660 comprising the W/2 SE/4 of Section 2.

If you should need any additional information regarding our requested approval of an unorthodox well location please contact either the undersigned or Michael Daugherty, Vice President of Operations.

Thank you for your consideration in this matter.

Yours truly,

MURCHISON OIL & GAS, INC.


Charlene Crump

Encl.

*Consider Sec. 2 to be irregular*CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION02/07/02 17:18:
OGOMES -TQ
PAGE NO:

Sec : 02 Twp : 17S Rng : 28E Section Type : NORMAL

4 39.22 CS B02178 0016 CONOCO INC & FINA 10/10/43	3 39.26 CS B02178 0016 CONOCO INC & FINA 10/10/43	2 39.30 CS E09782 0001 B.RESLER KARLSRUD U 02/21/66	1 39.34 CS E09782 0001 B.RESLER KARLSR U 02/21/6 A
E 40.00 CS B02178 0016 CONOCO INC & FINA 10/10/43	F 40.00 CS B02178 0016 CONOCO INC & FINA 10/10/43	G 40.00 CS E09782 0001 B.RESLER KARLSRUD U 02/21/66 P	H 40.00 CS E09782 0001 B.RESLER KARLSR U 02/21/6 A

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

02/07/02 17:24:
OGOMES -TQ
PAGE NO:

Sec : 02 Twp : 17S Rng : 28E Section Type : NORMAL

L 40.00 CS V05660 0000 MURCHISON OIL & G 12/01/04	K 40.00 CS B02178 0016 CONOCO INC & FINA 10/10/43	J 40.00 CS V05660 0000 MURCHISON OIL & G 12/01/04	I 40.00 Fee owned P
M 40.00 CS V05660 0000 MURCHISON OIL & G 12/01/04 A	N 40.00 CS B02178 0016 CONOCO INC & FINA 10/10/43	O 40.00 CS V05660 0000 MURCHISON OIL & G 12/01/04	P 40.00 Fee owned A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

02/07/02 17:21:
OGOMES -TQ

API Well No : 30 15 31720 Eff Date : 10-05-2001 WC Status : A
Pool Idn : 76377 EMPIRE; ATOKA, NORTH (GAS)
OGRID Idn : 15363 MURCHISON OIL & GAS INC
Prop Idn : 27983 HIGH MESA STATE COM

Well No : 001
GL Elevation: 3580

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/
	---	---	-----	-----	-----	-----	-----
B.H. Locn : P	2	17S	28E	FTG 1320	F S	FTG 1000	F E P

Lot Identifier:
Dedicated Acre: 319.82
Lease Type : S
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :
OG6ACRE

ONGARD
C102-DEDICATE ACREAGE

02/07/02 17:22:
OGOMES -TQ
Page No :

API Well No : 30 15 31720 Eff Date : 10-05-2001
Pool Idn : 76377 EMPIRE; ATOKA, NORTH (GAS)
Prop Idn : 27983 HIGH MESA STATE COM Well No : 00
Spacing Unit : 55156 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : Acreage : 319.82 Revised C102? (Y/N) :
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	G	2		17S	28E	40.00	N	ST		
	H	2		17S	28E	40.00	N	ST		
	I	2		17S	28E	40.00	N	FE		
	J	2		17S	28E	40.00	N	ST		
	O	2		17S	28E	40.00	N	ST		
	P	2		17S	28E	40.00	N	FE		
	A	1	2	17S	28E	39.34	N	ST		
	B	2	2	17S	28E	39.30	N	ST		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 LAND	PF11 NXTSEC	PF12 RECONF

CMD : ONGARD 02/07/02 17:22:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQ

Page No:

OGRID Identifier : 15363 MURCHISON OIL & GAS INC
Pool Identifier : 76377 EMPIRE; ATOKA, NORTH (GAS)
API Well No : 30 15 31720 Report Period - From : 01 2000 To : 12 2001

API Well No	Property Name	Prod.	Days	Production Volumes	We	
		MM/YY	Prod	Gas	Oil	Water St
30 15 31720	HIGH MESA STATE COM	11 01	30	1457	51	F

Reporting Period Total (Gas, Oil) : 1457 51

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10 NXTPOOL	PF11 NXTOGD	PF12

Stogner, Michael

From: Stogner, Michael
Sent: Thursday, February 07, 2002 3:40 PM
To: Arrant, Bryan
Cc: Davidson, Florene
Subject: Proposed North Anderson-Wolfcamp Gas Pool

Bryan,

I am in the process of reviewing an administrative application filed by Murchison Oil & Gas, Inc. (cc-ed you by letter dated Jan. 28, 2002) for an unorthodox **Wolfcamp oil well** location for its recently drilled Big Cat State Com. Well No. 1 (**API No. 30-015-32091**), located 1500' FNL & 1980' FEL (Unit G) of Sec. 11-T17S-R28E, Eddy County, New Mexico. His attached C-102 references the "*Anderson Wolfcamp North*" in the Pool Name box and indicates that a standard 40-acre oil spacing and proration unit comprising the SW/4 NE/4 of Section 11 is to be dedicated to this well.

Your e-mail to Florene at 10:27 a.m. today shows in Paragraph (A) that this well is the discovery well for a new **gas pool** to be designated the "*North Anderson-Wolfcamp Gas Pool*" and the proposed boundary for this pool is to be a **160-acre area** comprising the **SW/4 of Section 11**.

I'm confused, is the Wolfcamp completion in this well gas or oil? If its "gas" why are you only giving it the 160 acres directly to the southwest of Unit "G"? If its oil, should the pool name be designated as such, and should the correct pool boundary be the NE/4 instead of the SW/4 of the section?

Call me if should you have any questions.

Stogner, Michael

From: Stogner, Michael
Sent: Friday, February 08, 2002 7:49 AM
To: Arrant, Bryan
Cc: Davidson, Florene
Subject: RE: Proposed North Anderson-Wolfcamp Gas Pool

Thanks for straightening me out Bryan. This helps me in dealing with Murchison's applications. I'll send your message along to Florene so she can make the appropriate change on her proposed advertisement.

-----Original Message-----

From: Arrant, Bryan
Sent: Friday, February 08, 2002 7:44 AM
To: Stogner, Michael
Subject: RE: Proposed North Anderson-Wolfcamp Gas Pool

Your right, its oil and it should be in the NE/4.
Call if you have any ?s
Bryan

-----Original Message-----

From: Stogner, Michael
Sent: Thursday, February 07, 2002 3:40 PM
To: Arrant, Bryan
Cc: Davidson, Florene
Subject: Proposed North Anderson-Wolfcamp Gas Pool

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Stogner, Michael

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Call me if should you have any questions.

Davidson, Florene

From: Arrant, Bryan
Sent: Thursday, February 07, 2002 10:27 AM
To: Davidson, Florene
Subject: Nomenclature 'The latest One'

**OIL CONSERVATION DIVISION
 ARTESIA, NEW MEXICO
 DISTRICT II
 NOMENCLATURE ADVERTISEMENT**

In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon its own motion for an order for the creation, discovery allowable assignment and extension of certain existing pools in Eddy County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof, to show cause why such creation, discovery allowable assignment, and extensions and or deletions should not be made.

(A) Create a new pool in Eddy County, New Mexico classified as a gas pool for Wolfcamp production and designated as the Anderson; Wolfcamp, North Gas Pool. The discovery well, the Big Cat State Com. #1 completed by Murchison Oil & Gas, Inc., is located in Unit G of Section 11 Township 17 South, Range 28 East, NMPM.

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 11: SW/4

(B) Create a new pool in Eddy County, New Mexico classified as a gas pool for Atoka production and designated as the Little Box Canyon; Atoka, West Gas Pool. The discovery well, the Echo 'AWF' Federal #1 completed by Yates Petroleum Corporation is located in Unit C of Section 15 Township 21 South, Range 21 East, NMPM.

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 15: W/2

(C) Create a new pool in Chaves County, New Mexico classified as a gas pool for Wolfcamp production and designated as the Rock School House; Wolfcamp, Northeast Gas Pool. The discovery well, the Byers 'ZV' #1 completed by Yates Petroleum Corporation is located in Unit N of Section 8 Township 8 South, Range 26 East, NMPM.

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 8: S/2

(D) Extend the Antelope Sink; Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 5: W/2 & Section 6: S/2

(E) Extend the Baldrige Canyon; Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM

Section 29: S/2 & Section 30: SE/4

(F) Extend the Bunting Ranch; Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM

Section 25: E/2

(G) Extend the Cedar Lake; Yesso Oil Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 13: NE/4

(H) Extend the Cemetery; Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 20: N/2 & Section 28: S/2

(I) Extend the Comanche; Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM

Section 31: NE/4

(J) Extend the Comanche Spring; Pre-Permian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM

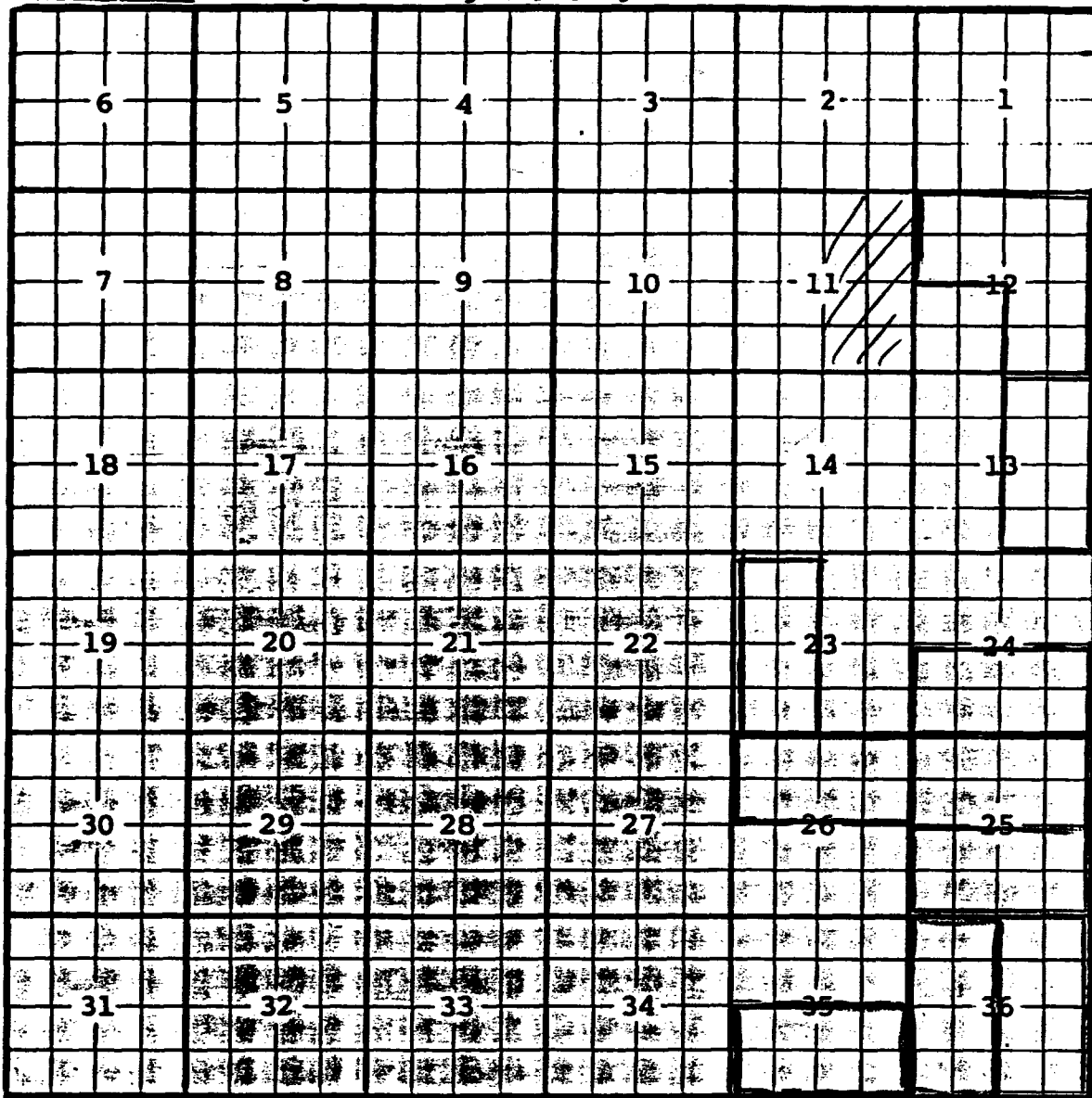
Section 36: E/2

(K) Extend the Crow Flats; Morrow, Southeast Gas Pool in Eddy County, New Mexico to include therein:

2/7/2002

County EddyPool South Empire - Morrow GasTOWNSHIP 17 SouthRange 28 East

NMPM

Ext: $\frac{1}{2}$ Sec 25 (R-5838, 11-1-78) Ext: $\frac{1}{2}$ Sec 36 (R-5911, 2-1-79)Ext: $\frac{1}{2}$ Sec 25 (R-6274, 3-1-80) Ext: $\frac{1}{2}$ Sec 24 (R-6576, 2-10-81)Ext: Sec 35, $\frac{1}{2}$ Sec 36, $\frac{1}{2}$ (R-7076-9-27-82)Ext: $\frac{1}{2}$ Sec 13 (R-7334, 8-19-83) Ext: $\frac{1}{2}$ Sec 26 (R-11470, 10-11-80)Ext: $\frac{1}{2}$ and $\frac{1}{4}$ Sec 12 (R-11683, 5-7-01) Ext: $\frac{1}{2}$ Sec 23 (R-11691, 11-28-01)

County Eddy

Pool North Empire - Atoka Gas

TOWNSHIP

17 South

Range 28 East

NMP M

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: E/2 Sec. 1 (R-7875, 4-16-85)

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Murchison Oil & Gas, Inc. 1100 Mira Vista Blvd. Plano, TX. 75093-4698		OGRID Number 015363
		Reason for Filing Code NW
API Number 30 - 015-31720	Pool Name Empire; Aralia, North	Pool Code 76377
Property Code 27983	Property Name High Mesa St. Com.	Well Number #1

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
P	2	17S	28E		1320	South	1000	East	Eddy

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lee Code	Producing Method Code	Gas Connection Date	C-129 Perm Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
147831	Agave Energy Company 105 South Fourth St. Artesia, NM 88210	2830313	G	P Sec 2, T17S, R28E
15694	Navajo Crude Oil Purchasing P O Drawer 159 Artesia, NM 88240	2830312	O	P Sec2, T17S, R28E

IV. Produced Water

POD	POD ULSTR Location and Description
9830314	P Sec 2, T17S, R28E

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
6/15/01	10/05/01	10439'	10000'	9668 - 674
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	
17-1/2"	13-3/8" 68#/ft	410'	355 sxs	
11"	9-5/8" 47#/ft	2116'	1270 sxs	
8-1/2"	5-1/2" 17#/ft	10438'	1500 sxs	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Gas Pressure
10/05/01	10/05/01	10/05/01	4 hrs	300	0
Choke Size	Oil	Water	Gas	AOF	Test Method
12/64	3 bbl/day	0	240 MCFD		Flow test

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Michael S. Daugherty*
Printed name: Michael S. Daugherty

Title: VP Operations

Date: Phone: 972-931-0700

OIL CONSERVATION DIVISION

Approved by: *Jim M. Green*

Title: SUPERVISOR, DISTRICT II

Approval Date: OCT 10 2001

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-015-31720

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED
(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
1100 Mira Vista Blvd. Plano, TX. 75093-4698

4. Well Location
Unit Letter P : 1320 Feet From The South Line and 1000 Feet From The East Line

Section 2 Township 17S Range 28E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3579 GL 3601 KOB

11. 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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Perforate & Complete ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Rig up completion unit on July 26, 2001. Run cement bond log. Perforated Mississippian lime at 10,375' - 379', 10,361' - 373', 10,348' - 350', 10,341' - 343', 10,336' - 340', 10,331' - 312'. Acidize with 4000 gal 15% NEFE & 2000 SCF N2. Tested well to pit making 10 MCFD @ 12 psi. Set CIBP @ 10,300' and capped with 35' cement. Perforated Morrow zone @ 10,106' - 114', 10,092' - 94', 10,088' - 090', 10,072' - 105', 10,038' - 40'. Acidize with 2500 gal 7.5% HCL & 30% methonal. Cleaned up well and fraced well with 30,000 gal 22500 # of sand, 66 tons of CO2, & 37 MCF N2. Tested well at estimated rate of 20 MCFD 0 psi. Set CIBP @ 10,000' and capped with 35' cement. Perforated Atoka sand @ 9,668' - 674' & acidized 1500 gal 7.5% HCL, 30% methonal, and 10 MCF of N2. Estimated flow rate of 200 MCFD @ FTP of 160 psi. Build battery and place well on production.

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

SIGNATURE Michael S. Daugherty TITLE VP Operations DATE 10/5/01

TYPE OR PRINT NAME Michael S. Daugherty TELEPHONE NO.

(This space for State Use)

APPROVED BY Record TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-105
Revised 1-1-89

WELL API NO. 30-015-31720
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐	7. Lease Name or Unit Agreement Name High Mesa St. Com.			
b. Type of Completion: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐	8. Well No. 1			
2. Name of Operator Murchison Oil & Gas, Inc.	9. Well name for Wildcat Wildcat Empire Atoka			
3. Address of Operator 1100 Mira Vista Blvd. Plano, TX. 75093-4698				
4. Well Location Unit Letter <u>P</u> : <u>1320</u> Feet From The <u>South</u> Line and <u>1000</u> Feet From The <u>East</u> Line Section <u>2</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County				
10. Date Spudded 6/15/01	11. Date T.D. Reached 7/12/01	12. Date Compl. (Ready to Prod.) 10/5/01	13. Elevations (DF & RKB, RT, GR, etc.) 3579 GL 3601 KOB	14. Elev. Casinghead 3579
15. Total Depth 10439	16. Plug Back T.D. 9965	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools ☒ Cable Tools ☐	
19. Producing Interval(s), of this completion - Top, Bottom, Name 9668 - 674 Atoka				20. Was Directional Survey Made NO
21. Type Electric and Other Logs Run CNL - Density, GR, Laterlog				22. Was Well Cored NO

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULL
13-3/8"	68#/ft	410'	17-1/2"	355 sxs circ to surface	n/a
9-5/8"	47#/ft	2116'	11"	1270 sxs circ to surface	n/a
5-1/2"	17#/ft	10438'	8-1/2"	1500 sxs toc @ 5618'	n/a

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	9538'	9538'

26. Perforation record (interval, size, and number) 9668 - 74 4 shots/ft	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	9668 - 74	1500 gal 7.5% w/10mcf N2 & 30% methanol

PRODUCTION

28. Date First Production 10/05/01		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing				Well Status (Prod. or Shut-in) Producing	
Date of Test 10/05/01	Hours Tested 4 hr	Choke Size 12/64	Prod'n For Test Period	Oil - Bbl. 5	Gas - MCF 40	Water - Bbl. 0	Gas - Oil Ra 80
Flow Tubing Press. 300	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 3	Gas - MCF 240	Water - Bbl. 0	Oil Gravity - API - (Corr.) 56	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) sold						Test Witnessed By Tommy Folsom	

30. List Attachments
CNL Density, GR, Laterlog

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Michael S. Daugherty

Printed Name

Michael S. Daugherty

Title

VP Operations

Date 10/5/01

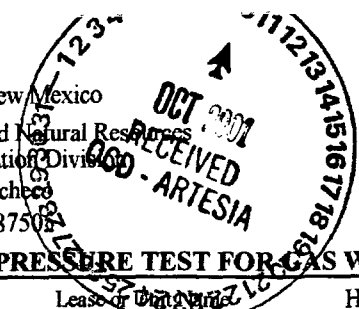
Submit in duplicate to
appropriate district office.
See Rule 401 & Rule 1122

30-015-31720

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-122
Revised October, 1999

SF



MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Operator MURCHISON OIL & GAS, INC.				Lease of Unit No. 1				HIGH MESA STATE COM.			
Type Test ☒ Initial ☐ Annual ☐ Special								Test Date 10/5/01		Well No. 1	
Completion Date 9/28/01		Total Depth 10440		Plug Back TD 10265		Elevation 3580 GL		Unit Ltr - Sec - TWP - Rge P 2 17 28			
Csg. Size 5 1/2	Wt. 17#	d 4.892	Set At 10440		Perforations: From: 9668 To: 9674				County EDDY		
Tbg. Size 2 3/8	Wt. 4.7	d 1.995	Set At 9538		Perforations: From: To:				Pool North Empire UNDESIGNATED		
Type Well-Single-Bradenhead-G.G. or G.O. Multiple SINGLE					Packer Set At 9538			Formation ATOKA			
Producing Thru Tbg. Size		Reservoir Temp. °F 169.4 @ 9538		Mean Annual Temp. °F 60		Baro. Press.-P _a 13.2		Connection AGAVE			
L 9538	H 9538	Gg 0.713	%CO ₂ 0.392	%N ₂ 2.387	%H ₂ S N/A	Prover N/A	Meter Run 2.068	Taps FLG			
FLOW DATA					TUBING DATA			CASING DATA		Duration of Flow	
No.	Prover Line Size	Orifice x Size	Press p.s.i.g.	Diff. h _w	Temp. °F	Press p.s.i.g.	Temp. °F	Press p.s.i.g.	Temp. °F		
SI						2687		PKR		7 DAYS	
1	2 X 0.750					2435		"		1 HR	
2	2 X 0.750					2188		"		1 HR	
3	2 X 0.750					1887		"		1 HR	
4	2 X 0.750					1476		"		1 HR	
5											
RATE OF FLOW CALCULATIONS											
No.	COEFFICIENT (24 Hour)		$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress Factor F _{pv}	Rate of Flow Q, Mcfd			
1								79			
2								168			
3	MEASURED		BY		TOTAL	FLOW	METER	283			
4								464			
5											
No.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio 20.688 Mcf bbl.						
1					A.P. I. Gravity of Liquid Hydrocarbons 58 @ 60 Deg.						
2					Specific Gravity Separator Gas 0.713 XXXXXXXX						
3	N/A	N/A	N/A	N/A	Specific Gravity Flowing Fluid XXXXX Gmix= .846						
4					Critical Pressure P.S.I.A. * 661 P.S.I.A.						
5					Critical Temperature R. * 432 R						
P _c 2700.2 P _{c2} 7291.1											
No.	P _t ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = 1.439$ (2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 1.439$ AOF = Q $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 0.666$ 79825						
1		2448.2	5993.9	1297.2							
2		2201.4	4846	2445							
3		1900.7	3612.8	3678.3							
4		1491	2223.2	5067.9							
5											
Absolute Open Flow 666 Mcfd @ 15.025					Angle of Slope (°): 45			Slope n: 1			
Remarks: WELL PRODUCED 2.0 BBLS CONDENSATE DURING TEST *= CORR. TO 2.387 % N2											
Approved By Division:			Conducted By: JARREL SERVICES, INC.			Calculated By: BM			Checked By: BM		

COMPANY : MURCHISO O & G , IN LEASE : H. MASA ST. COM. WELL NO. : 1
UNIT : P SECTION : 2 TOWNSHIP : 17
L : 9538 H : 9538 L/H : 1 G/GMIX : 0.846
%CO2 : 0.392 %N2 : 2.387 H2S : DATE : 10-5-01
d : 1.995 Fr : 0.018231 GH : 8069.1 RANGE : 38

Pc = 2700.2 Pc2 = 7291.1 *
Pt2 = 5993.7 Pw = 2448.2 *
4845.3 2201.4 *
3610.8 1900.7 *
2217.7 1491.0 *

VOL 1 : 79 PSIA 1 : 2448.2
VOL 2 : 168 PSIA 2 : 2201.2
VOL 3 : 283 PSIA 3 : 1900.2
VOL 4 : 463 PSIA 4 : 1489.2

RESV.TEMP 169.4

SHUT-IN PR= 2700.2

Pc2-Pw2= 1297.2 Pw2 = 5993.9 *
2445.0 4846.0 *
3678.3 3612.8 *
5067.9 2223.2 *

PCR : 664
TCR : 438

n = 1.000 ✓

Pc2/(Pc2-Pw2) = 5.621
2.982
1.982
1.439 ✓

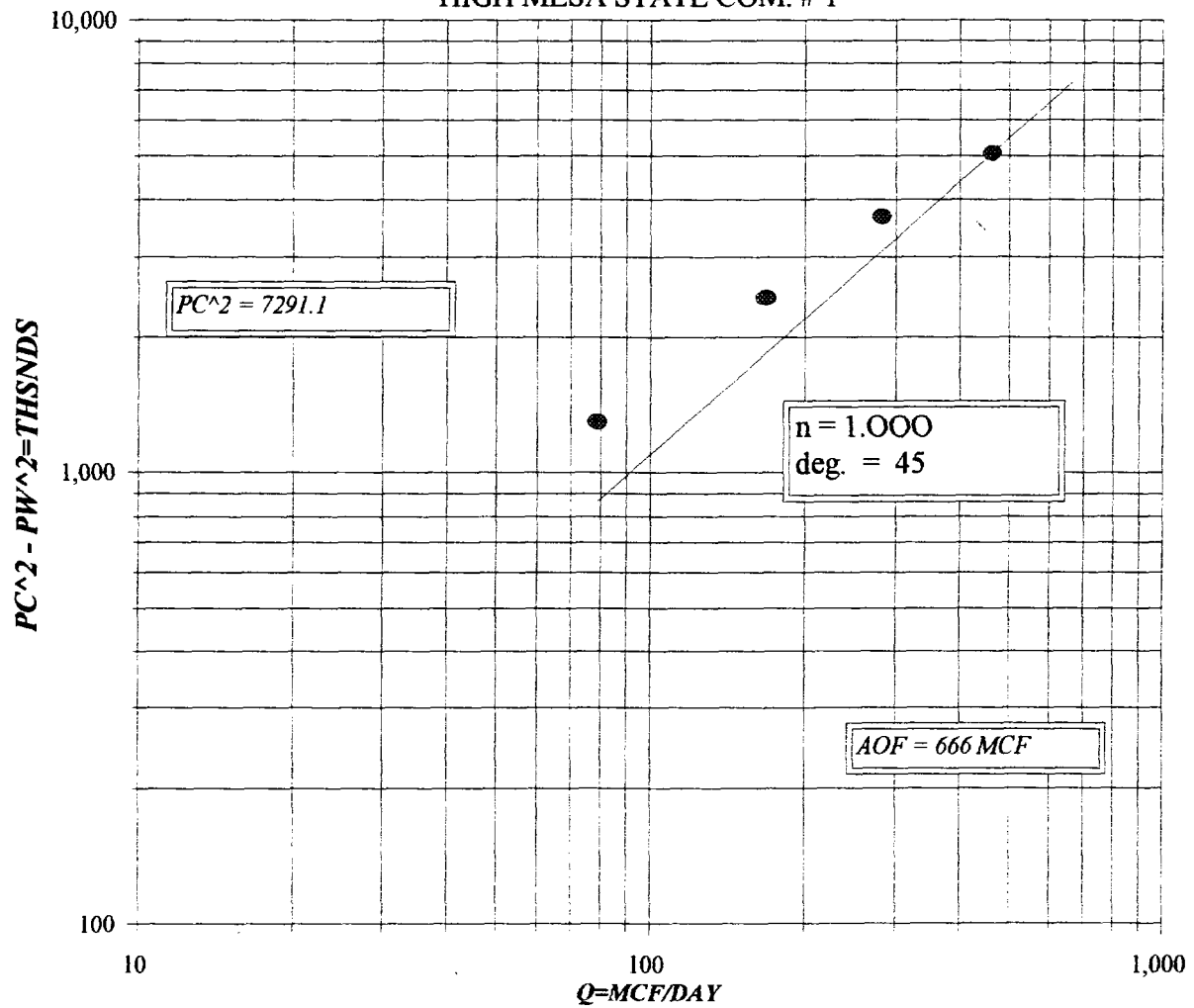
LINE		RATE 1		RATE 2		RATE 3		RATE 4	
		1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND
1	QM	0.079	0.079	0.168	0.168	0.283	0.283	0.463	0.463
2	TW	534	534	534	534	534	534	534	534
3	Ts	629.4	629.4	629.4	629.4	629.4	629.4	629.4	629.4
4	T	581.7	581.7	581.7	581.7	581.7	581.7	581.7	581.7
	PR (est)	3.69		3.32		2.86		2.24	
5	Z(est)	0.645	0.692	0.635	0.666	0.636	0.642	0.667	0.637
6	TZ	375.3	402.6	369.6	387.5	369.7	373.3	388.0	370.8
7	GH/TZ	21.501	20.041	21.834	20.826	21.826	21.615	20.797	21.761
8	eS	2.240	2.120	2.268	2.184	2.267	2.249	2.181	2.262
9	l-e-S	0.553	0.528	0.559	0.542	0.559	0.555	0.542	0.558
10	Pt	2448.2	2448.2	2201.2	2201.2	1900.2	1900.2	1489.2	1489.2
11	Pt2 /1000	5993.7	5993.7	4845.3	4845.3	3610.8	3610.8	2217.7	2217.7
12	Fr	0.018231	0.018231	0.018231	0.018231	0.018231	0.018231	0.018231	0.018231
13	Fc=FrTZ	6.842	7.341	6.738	7.064	6.740	6.806	7.074	6.760
14	FcQm	0.54	0.58	1.13	1.19	1.91	1.93	3.28	3.13
15	L/H(FcQm)	0.3	0.3	1.3	1.4	3.6	3.7	10.7	9.8
16	Pw	0.161702	0.177679	0.716248	0.763358	2.033493	2.060388	5.808559	5.4647824
17	Pw2	5993.8	5993.9	4846.0	4846.0	3612.8	3612.8	2223.5	2223.2
18	Ps2	13423.9	12708.4	10989.5	10581.7	8190.3	8125.8	4850.1	5027.8
19	Ps	3663.9	3564.9	3315.0	3253.0	2861.9	2850.6	2202.3	2242.3
20	P	3056.0	3006.5	2758.1	2727.1	2381.0	2375.4	1845.7	1865.7
21	Pr	4.60	4.53	4.15	4.11	3.59	3.58	2.78	2.81
22	Tr	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33
23	Z	0.692	0.688	0.666	0.664	0.642	0.642	0.637	0.637

[Pc2/Pc2-Pw2]n = 5.621
2.982
1.982
1.439 ✓

AOF= Q 0.444
0.501
0.561
0.666 ✓

FORM C122-D

MURCHISON OIL & GAS, INC.
HIGH MESA STATE COM. # 1



=====

NEW MEXICO G.O.R./G. MIX

=====

NO. OF BBLS PRODUCED = 2.0

API GRAVITY @ 60 DEG. = 58.0

.....
SPECIFIC GRAVITY OF GAS = 0.7130

XX

TOTAL GAS PRODUCED = 41

G.O.R. = 20.688

G.MIX = 0.846



Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

FOR: Jarrel Services Inc.
Attention: Mr. Donnie Dickerson
P. O. Box 1230
Hobbs, New Mexico 88240

SAMPLE:
IDENTIFICATION: High Mesa St. Com. #1
COMPANY: Murchison Oil & Gas
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED: 10/5/01
ANALYSIS DATE: 10/8/01
PRESSURE - PSIG
SAMPLE TEMP. °F
ATMOS. TEMP. °F

GAS (XX) LIQUID ()
SAMPLED BY: JSI
ANALYSIS BY: Vickie Biggs

REMARKS:

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H ₂ S)		
Nitrogen (N ₂)	2.387	
Carbon Dioxide (CO ₂)	0.392	
Methane (C ₁)	78.896	
Ethane (C ₂)	10.232	2.730
Propane (C ₃)	5.409	1.487
I-Butane (IC ₄)	0.682	0.223
N-Butane (NC ₄)	1.348	0.424
I-Pentane (IC ₅)	0.227	0.083
N-Pentane (NC ₅)	0.188	0.068
Hexane Plus (C ₆ +)	0.239	0.104
	100.000	5.119
BTU/CU.FT. - DRY	1208	MOLECULAR WT. 20.6585
AT 14.650 DRY	1204	
AT 14.650 WET	1183	
AT 14.73 DRY	1211	
AT 14.73 WET	1190	
SPECIFIC GRAVITY - CALCULATED	0.713	
MEASURED		

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-015-31720

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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. (#015363)

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

4. Well Location
Unit Letter P : 1320 Feet From The SOUTH Line and 1000 Feet From The EAST

Section 2 Township 17S Range 28E NMPM

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3579 GL 3601 KDB

EDDY County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐		CASING TEST AND CEMENT JOB ☒	
OTHER: ☐		OTHER: ☐	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drill 11" hole to 2110'. Run 9 5/8" casing as follows:

BOTTOM:	Float shoe & Collar	34'
	49 JTS 47 #/FT	N-80 ST&C 1,512'
	1 JT 47 #/FT	N-80 BT&C 33'
TOP:	13 JTS 47 #/FT	N-80 BT&C 537'
		2,116'

Set casing @ 2110' and cemented 970 SXS 35:65 Class "C" + 5% D44 + 6% D20 + .125 pps D130 + .2% D46 followed by 300 SX Class "C" + 1% S1. Circulate 103 SX to reserve pit. Cut off casing install wellhead. Nipple up BOP's. Test BOP to 1000 PSI OK. WOC 22 HRS. Drill cement and float and resume drilling 8 1/2" hole.

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

SIGNATURE Michael S. Daugherty TITLE VICE PRESIDENT OPERATIONS DATE 7/20/01
(972) 931-
TYPE OR PRINT NAME MICHAEL S. DAUGHERTY TELEPHONE NO. 0700

(This space for State Use)

APPROVED BY For Record Only TITLE Operator DATE 7/20/01
CONDITIONS OF APPROVAL, IF ANY: Oper To Submit 13 3/8" casing Sunday

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.

30-015-31720

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

HIGH MESA STATE COM

8. Well No.

1

9. Pool name or Wildcat

WILDCAT

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.

(#015363)

3. Address of Operator

1100 MIRA VISTA BLVD.

PLANO, TX. 75093-4698

4. Well Location

Unit Letter P : 1320 Feet From The SOUTH Line and 1000 Feet From The EAST Li

Section 2

Township 17S

Range 28E

NMPM

EDDY

County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3579 GL

3601 KDB

11.

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☒

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spud well on 6/15/01 and drill 17 1/2" hole to 410'. Run 13 3/8" 68 #/FT K-55 BTC casing to 410'. Cement with 155 sx. of 35:65 POZ Class C + 6% D20 + 2% S1 + .25 pps D29 followed by 200 SX of Class C + 2% S1 + .25 pps D29. Circulate cement to surface. Bumped plug float held. Cut off conductor and 13 3/8" csg. Weld on wellhead. WOC 18 HRS. Test casing and BOP to 1000 PSI. Held OK. Drill plug and cement. Resume drilling operations with a 12 1/4" bit.

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

SIGNATURE

Michael S. Daugherty

TITLE

VICE PRESIDENT OPERATIONS

DATE 7/17/01

TYPE OR PRINT NAME

MICHAEL S. DAUGHERTY

(972) 931-
TELEPHONE NO. 0700

(This space for State Use)

APPROVED BY

B. G. Jim W. Brown

TITLE

District Supervisor

DATE

AUG 07 2001

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address. MURCHISON OIL & GAS, INC. 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698		OGRID Number 015363
Property Code 27983		API Number 30-015-3172
Property Name HIGH MESA ST COM		Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	17S	28E		1320	SOUTH	1000	EAST	EDDY

8 Proposed 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
Proposed Pool 1 WILDCAT MORROW					Proposed Pool 2				

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3580
Multiple N	Proposed Depth 10400	Formation MORROW	Contractor PATTERSON	Spud Date 5/1/01

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	54.5 #/FT	350-400	420 SXS	SURFACE
12-1/4"	9-5/8"	36 #/FT	1800	515 SXS	SURFACE
7-7/8"	5-1/2"	17 #/FT	10400	640 SXS	EST TOP 6500
Cement to Cover All oil, gas & water bearing zones					

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

DRILL, CASE & COMPLETE WELL IN MORROW FORMATION

- BOP'S INCLUDE
- 1) HYDRILL DOUBLE RAM 11" X 3000 PSI
 - 2) CHOKE MANIFOLD 4" X 5000 PSI FLANGED CONNECTIONS
 - 3) SIX STATION ACCUMULATOR CLOSING UNIT W/ REMOTE CONTROL

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

Signature:

Printed name:

MICHAEL S. DAUGHERTY

Title:

VICE PRESIDENT OPERATIONS

Date:

4/16/01

Phone:

(972) 931-0700

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

APR 23 2001

Expiration Date:

APR 23 2002

Conditions of Approval:

Attached ☐

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brasos Rd., Artesia, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name HIGH MESA STATE COM.	Well Number 1
OCRID No. 015363	Operator Name MURCHISON OIL & GAS, INC.	Elevation 3580'

Surface Location

UL or lot No. P	Section 2	Township 17-S	Range 28-E	Lot Idn	Feet from the 1320	North/South line SOUTH	Feet from the 1000	East/West line EAST	County EDDY
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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
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Dedicated Acres 318.71	Joint or Infill	Consolidation Code	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

LOT 4	LOT 3	LOT 2	LOT 1
41.40 AC	40.62 AC	39.78 AC	38.93 AC
SPACING UNIT			
78.71			
39.34			
39.30			
25'			
1000'			
1320'			

OPERATOR CERTIFICATION

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

Michael S. Daugherty
Signature
MICHAEL S. DAUGHERTY
Printed Name
VICE PRESIDENT OPERATIONS
Title
4/16/01
Date

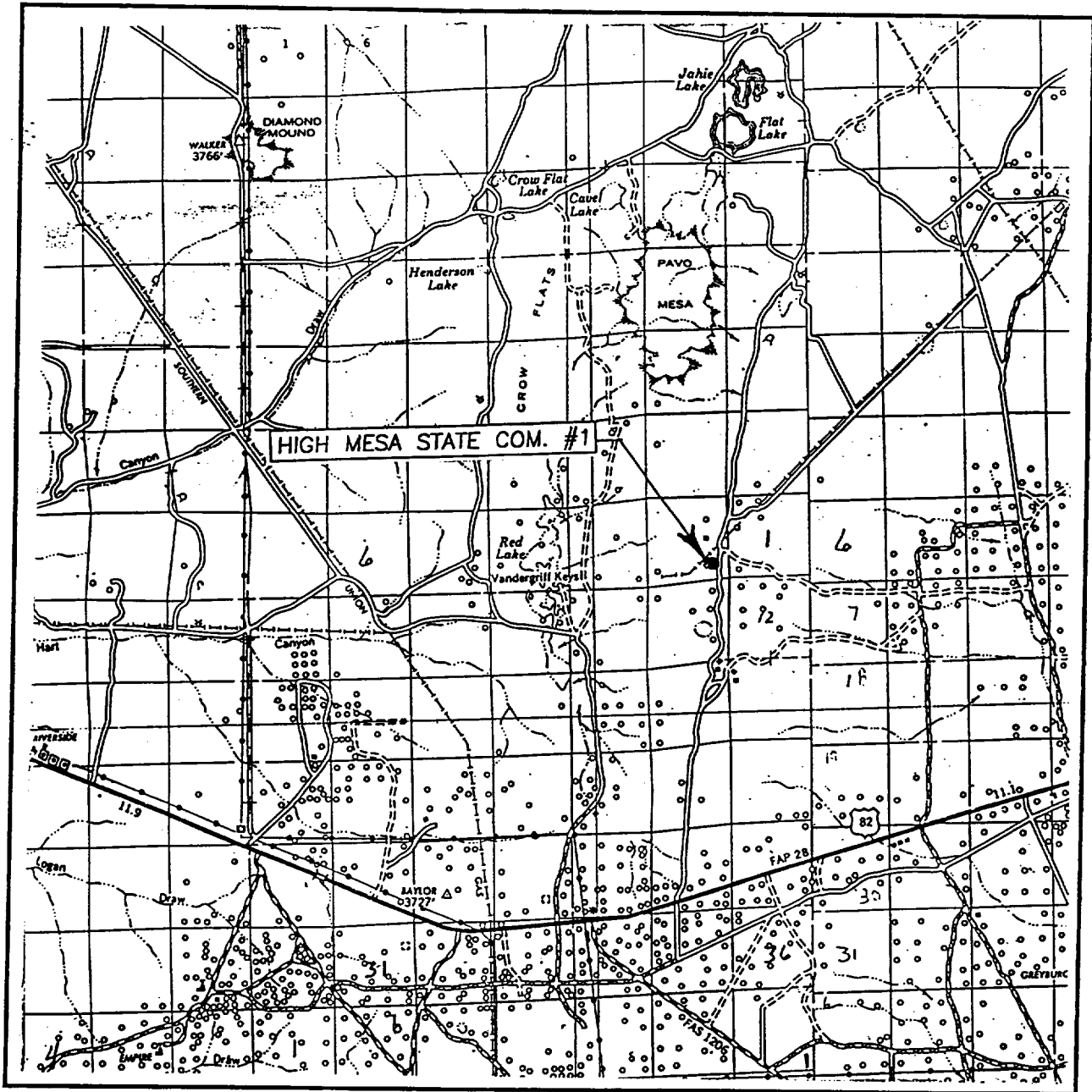
SURVEYOR CERTIFICATION

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 is true and correct to the best of my belief.

APRIL 10, 2001

Date Surveyed
Signature & Seal of Professional Surveyor
Ronald J. Eidson
01-11-0415
Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 2 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1320'FSL & 1000'FEL

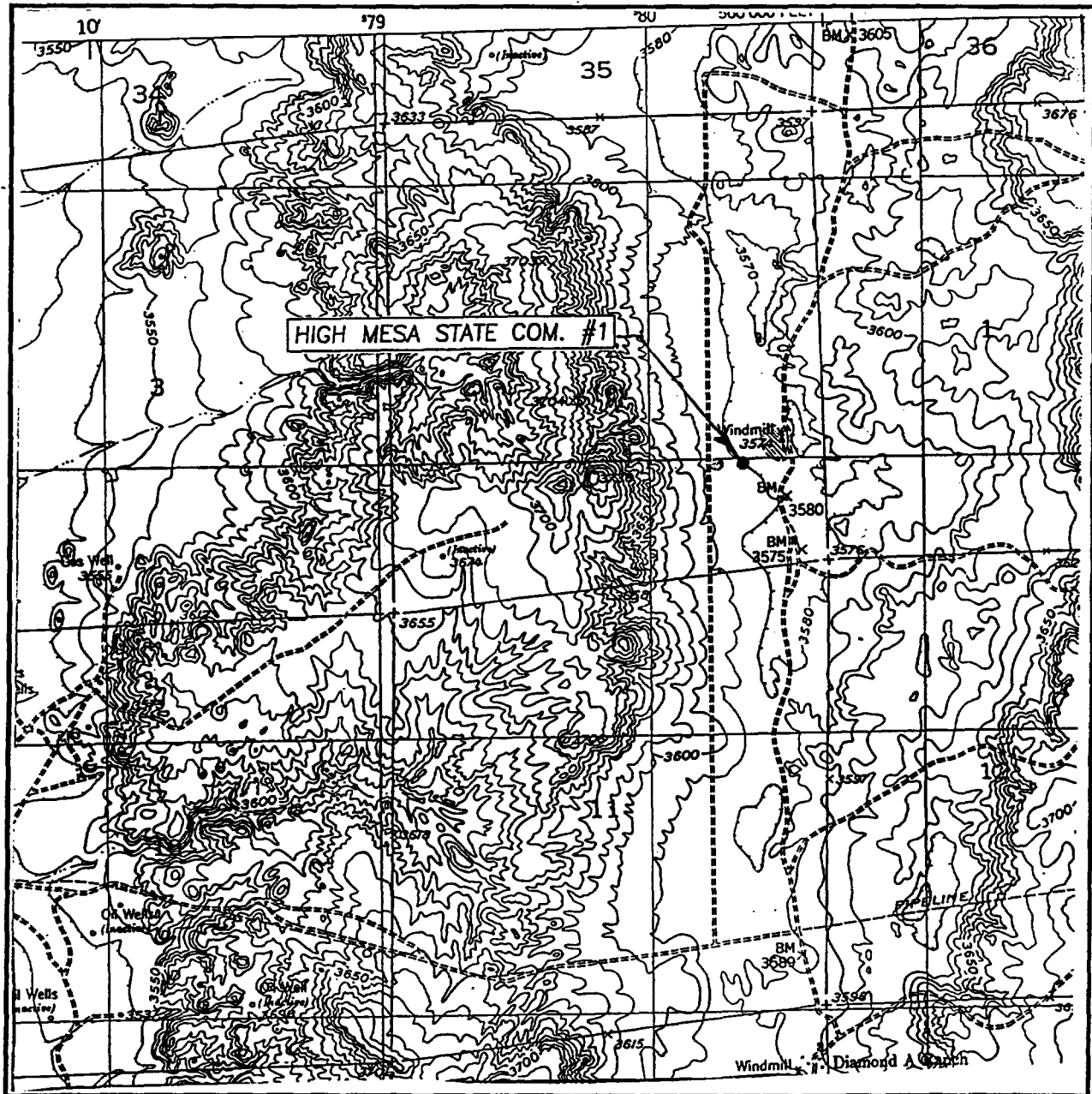
ELEVATION 3580'

OPERATOR MURCHISON OIL & GAS INC.

LEASE HIGH MESA STATE COM.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
RED LAKE, N.M.

SEC. 2 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1320'FSL & 1000'FEL

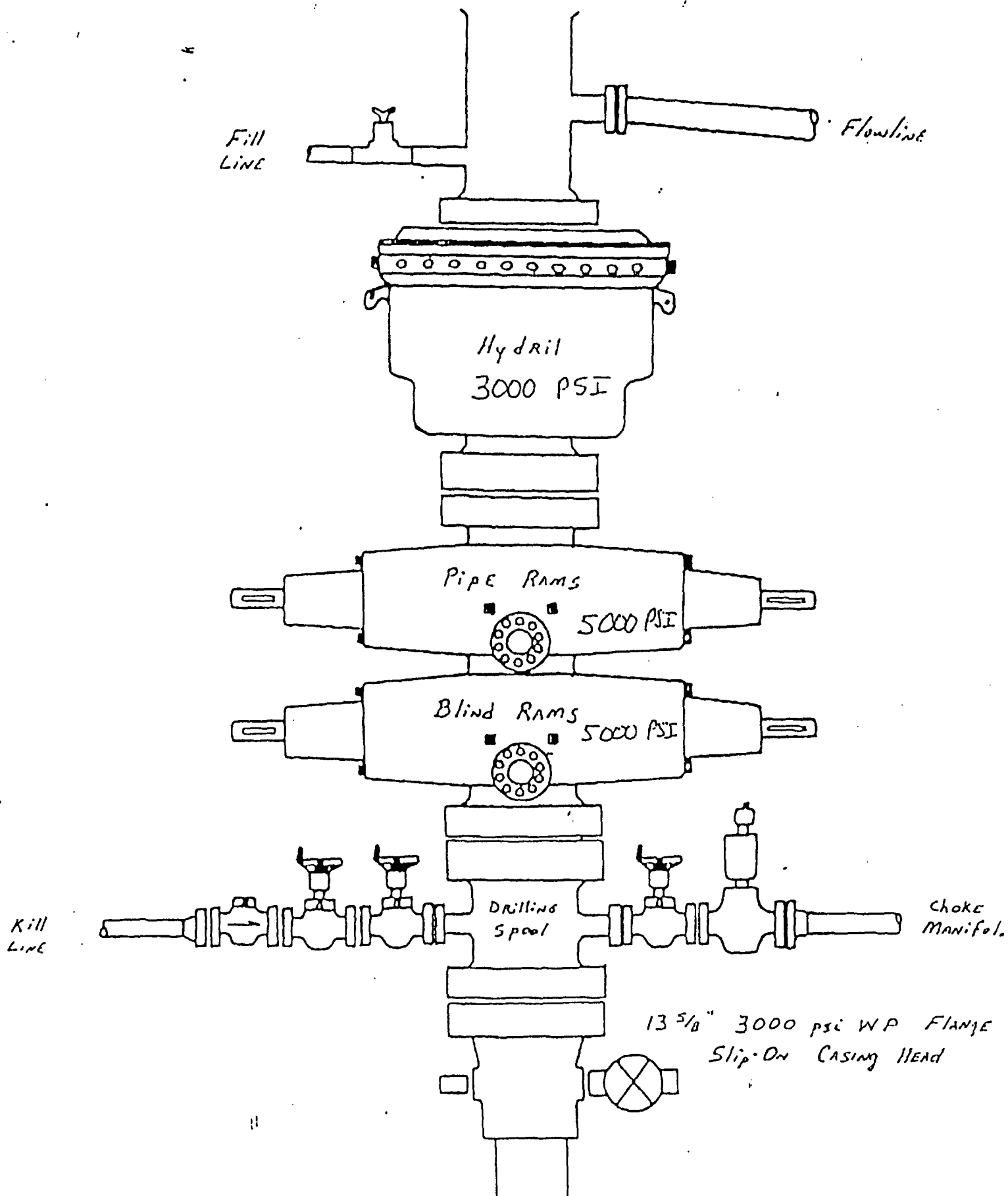
ELEVATION 3580'

OPERATOR MURCHISON OIL & GAS INC.

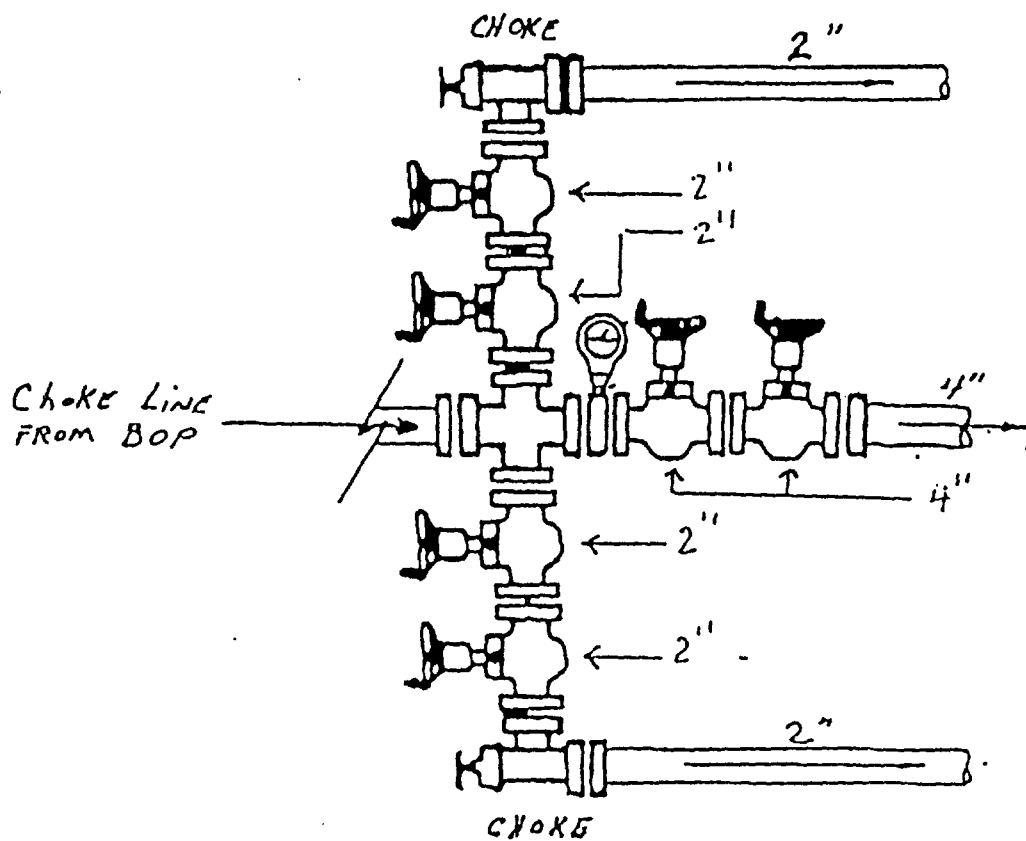
LEASE HIGH MESA STATE COM.

U.S.G.S. TOPOGRAPHIC MAP
RED LAKE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



MURCHISON OIL & GAS, INC.
 HIGH MESA ST. COM. #1
 1320' FSL & 1000' FEL
 SEC. 2, T17S, R28E
 EDDY CO., NM.



MURCHISON OIL & GAS, INC.
 HIGH MESA ST. COM. #1
 1320' FSL & 1000' FEL
 SEC. 2, T17S, R28E
 EDDY CO., NM.

p KRUD
20365413 ~

***New Mexico Oil Conservation Division---Enginnering Bureau
Administrative Application Process Documentation***

Date Application Received: 1-31-2002

Date of Preliminary Review: 2-8-2002
(Note: Must be within 10-days of received date)

Results: Application Complete ☒ Application Incomplete

Date Incomplete Letter Sent: 2-8-2002

Deadline to Submit Requested Information: 2-15-02

Phone Call Date: _____
(Note: Only applies if requested data is not submitted within the 7-day deadline)

Phone Log Completed? Yes No

Date Application Processed: 2-19-02

Date Application Returned: _____
(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)