

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-32176
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Huggie Bear State Com
8. Well Number 1
9. OGRID Number 15363
10. Pool name or Wildcat Anderson; Wolfcamp, North
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3576' GL

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.

3. Address of Operator
7250 Dallas Parkway, Ste. 1400, Plano, TX 75024

4. Well Location
 Unit Letter **H** : **1420** feet from the **N** line and **990** feet from the **E** line
 Section **2** Township **17S** Range **28E** NMPM County **Eddy**

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>CLOSED-LOOP SYSTEM <input type="checkbox"/></p> <p>OTHER: Add Perforations and <u>Commingle</u> <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Murchison Oil & Gas respectfully requests permission to add perforations to the existing wellbore in the Abo (6834'-6848', 6872'-6896') and Wolfcamp (7488'-7496') and frac as described in the attached.

*Commingle Approval is from Santa Fe!
 Please submit paperwork to Santa Fe*

NM OIL CONSERVATION
 ARTESIA DISTRICT
 APR 06 2015
 RECEIVED

Spud Date:

Rig Release Date:

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

SIGNATURE *[Signature]* TITLE Vice President Operations DATE April 1, 2015

Type or print name Gary Cooper E-mail address: gcooper@jdmii.com PHONE: 972-931-0700

For State Use Only

APPROVED BY: *[Signature]* TITLE Dist. Supervisor DATE 4/29/15
 Conditions of Approval (if any):

MURCHISON OIL & GAS INC.

Huggie Bear State Com #1
30-015-32176
1420 FNL, 990 FEL, Sec 2 T17S, R28E
Eddy County, NM

Recompletion Procedure

The subject well is currently producing from the Abo interval at 6778' – 6826' at 0.75 BOPD + 1 mcfg/d + 6 BWPD. The proposal is to add perfs to the currently producing Abo and the previously producing Wolfcamp, frac the zones separately, and return the well to production.

Casing:

Surface – 13 3/8", 68#, J55 @ 218' w/ cmt circ
Intermediate - 9 5/8", 43.5#, P110 @ 2176' w/ cmt circ
Production - 5 1/2", 17#, N80 @ 7861' w/ TOC at 2860' w/ CBL

Tubing:

2 7/8", 6.5#, N80 EUE 8rd (216 jts) at 6876' w/ SN at 6840' and TA/C at 6681'

Existing perfs:

Abo – 6778'-6788', 6804' – 6814', 6822' – 6826'

Wolfcamp – 7434' – 7440', 7532' – 7544' (Wolfcamp currently isolated by RBP at 7000')

Proposed additional perfs:

Wolfcamp – 7488'-7496'; Abo – 6834'-6848', 6872'-6896'

PROCEDURE:

1. Notify OCD of activities.
2. MIRU service rig.
3. TOH with rods and tubing.
4. Retrieve RBP at 7000'.
5. Perforate Wolfcamp 7488'-7496' w/ 4spf.
6. TIH with packer and set at 7300'.
7. Frac Wolfcamp with 100,000# 20/40 sand.
8. Set CBP at 7000'.
9. Perforate Abo 6834' – 6848', 6872' – 6896' w/ 2spf.
10. Acidize Abo and ball out. Run GR-JB to knock balls off of perfs.
11. Frac Abo with 300,000# 20/40 sand.
12. Drill out CBP.
13. TIH with pumping assembly, swab well to evaluate.
14. Run pump and rods and return well to production.

GRC 3/30/15