

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

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.)		WELL API NO. 30-015-34261
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator MURCHISON OIL & GAS, INC.		6. State Oil & Gas Lease No. B-2178
3. Address of Operator 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698		7. Lease Name or Unit Agreement Name QUAIL ST COM
4. Well Location Unit Letter <u>P</u> : <u>1250</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>8</u> Township <u>17-S</u> Range <u>28-E</u> NMPM County <u>EDDY</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 015363
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat CROW FLATS; MORROW, SE
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drill 8-1/2" hole from base of 9-5/8" casing set @ 2051' to 10,025'. Ran 5-1/2" csg as follows:

	Float Shoe	1'
1 JT	5-1/2" 17#/FT P-110	42'
	Float Collar	1'
70 JTS	5-1/2" 17#/FT P-110	2896'
	DV Tool	2'
32 JTS	5-1/2" 17#/FT P-110	1368'
112 JTS	5-1/2" 17#/FT L-80	4557'
28 JTS	5-1/2" 17#/FT P-110	1153'
		10021'

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MAR 10 2006
OCD-ARTESIA

Set casing @ 10017'. Cement w/ 1000 SXS 50/50 "H" + 5/10% FL52 + 5/10% FL25 + 3/10% SMS + 5/10% Salt. Bump plug w/ 1730 PSI. Circulate 216 SXS to reserve pit. WOC 4 HRS. Pump 950 SXS 50/50/10 POZ "H" + .35% FL52 + 5/10% salt + 1/4 #/SX Celloflake followed w/ 350 SXS 50/50 POZ "H" + 5/10% FL52 + 5/10% FL25 + 3/10% SMS + 5/10% Salt. Bump plug w/ 3200 PSI. Plug down @ 0300 HRS 1/31/06. Floats held. Circulated 216 SXS to reserve. Nipple down BOP, Set slips, cut off casing and install tbg head. Release rig @ 1500 HRS 1/31/06.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NM/OCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Michael S. Daugherty TITLE Vice President Operations DATE 3/2/2006

Type or print name MICHAEL S. DAUGHERTY E-mail address: mndaugherty@jdmii.com Telephone No. (972) 931-0700

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APPROVED BY: _____ TITLE _____ DATE MAR 13 2006

Conditions of Approval (if any):