

Submit To: Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 15 N. Francis Dr., Hobbs, NM 88240
 1300 E. Avenue, Artesia, NM 88210
 District III
 Rio Pecos Rd., Aztec, NM 87410
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-105
 Revised June 10, 2003

WELL API NO.
 30-015-34740
 5. Indicate Type of Lease
 STATE FEE
 State Oil & Gas Lease No. LG-827

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER
 b. Type of Completion:
 NEW WORK DEEPEN PLUG DIFF.
 WELL OVER BACK RESVR. OTHER
 2. Name of Operator: MURCHISON OIL & GAS, INC.
 3. Address of Operator: 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698
 7. Lease Name or Unit Agreement Name: FOUR MILE DRAW ST.
 8. Well No.: 1
 9. Pool name or Wildcat: PENASCO DRAW; MORROW (GAS)



4. Well Location
 Unit Letter L : 1980 Feet From The SOUTH Line and 660 Feet From The WEST Line
 Section 35 Township 18S Range 24E NMPM County EDDY

10. Date Spudded: 9/28/2006
 11. Date T.D. Reached: 10/25/2006
 12. Date Compl. (Ready to Prod.): 11/17/06
 13. Elevations (DF& RKB, RT, GR, etc.): 3712
 14. Elev. Casinghead: 3712
 15. Total Depth: 8835'
 16. Plug Back T.D.: 8814'
 17. If Multiple Compl. How Many Zones?:
 18. Intervals Drilled By: Rotary Tools: ALL Cable Tools:

19. Producing Interval(s), of this completion - Top, Bottom, Name: MORROW 8597' - 8678'
 20. Was Directional Survey Made: N/A

21. Type Electric and Other Logs Run: NEUTRON DENSITY, GR, MICRO CFL LATEROLOG
 22. Was Well Cored: NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	68 #/FT	370	17-1/2	SURFACE	
9-5/8	43.5 #/FT	1150	12-1/4	SURFACE	
5-1/2	17 #/FT	8835	6-1/2	SURFACE	

24. LINER RECORD **25. TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8	8478'	8478'

26. Perforation record (interval, size, and number)
 8597 - 99' 8663 - 66' 3'
 8601 - 19' 18' 8670 - 72' 2'
 8628 - 31' 3' 8676 - 78' 2'
 8631 - 35' 4'
 8654 - 57' 3'
 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

28. PRODUCTION

Date First Production: 11/17/06
 Production Method (Flowing, gas lift, pumping - Size and type pump): FLOWING
 Well Status (Prod. or Shut-in): SI
 Date of Test: 11/17/06 Hours Tested: 4 HRS Choke Size: 12/64
 Prod'n For Test Period: Oil - Bbl: 0 Gas - MCF: 331 Water - Bbl: 0 Gas - Oil Ratio: 0
 Flow Tubing Press.: 2475 Casing Pressure: 0 Calculated 24-Hour Rate: Oil - Bbl: 0 Gas - MCF: 1985 Water - Bbl: 0 Oil Gravity - API - (Corr.): N/A

29. Disposition of Gas (Sold, used for fuel, vented, etc.): FLARED
 Test Witnessed By: T. FOLSOM

30. List Attachments: NEUTRON DENSITY, GR, MICRO CFL LATEROLOG

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief
 Signature: *Michael S. Daugherty* Printed Name: MICHAEL S. DAUGHERTY Title: V.P. OPERATIONS Date: 11/30/2006
 E-mail Address: mdaugherty@jdmii.com

INSTRUCTIONS



This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy		T. Canyon	7428
T. Salt		T. Strawn	7659
B. Salt		T. Atoka	7972
T. Yates		T. Miss	8719
T. 7 Rivers		T. Devonian	
T. Queen		T. Silurian	
T. Grayburg		T. Montoya	
T. San Andres	551	T. Simpson	
T. Glorieta	1934	T. McKee	
T. Paddock		T. Ellenburger	
T. Blinebry		T. Gr. Wash	
T. Tubb	3301	T. Delaware Sand	
T. Drinkard		T. Bone Springs	
T. Abo	3959	T.	
T. Wolfcamp	5073	T.	
T. Penn		T.	
T. Cisco (Bough C)	6722	T.	
		T. Ojo Alamo	
		T. Kirtland-Fruitland	
		T. Pictured Cliffs	
		T. Cliff House	
		T. Menefee	
		T. Point Lookout	
		T. Mancos	
		T. Gallup	
		Base Greenhorn	
		T. Dakota	T.
		T. Morrison	T.
		T. Todilto	T.
		T. Entrada	T.
		T. Wingate	T.
		T. Chinle	T.
		T. Permian	T.
		T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from 8597 to 6970 No. 3, from 6930 to 6970
 No. 2, from 7584 to 7596 No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet
 No. 2, from to feet
 No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
1180	3960	2780	DOLOMITE & ANHYDRITE				
3960	5180	1220	DOLOMITE, ANHYDRITE & SHALE				
5180	5900	720	DOLOMITE, LIME & SHALE				
5900	6260	360	DOLOMITE, LIME, SAND & SHALE				
6260	6700	800	DOLOMITE, LIME & SHALE				
6700	8720	2020	SAND, LIME, DOLOMITE & SHALE				
8720	8835	115	LIME & SHALE				