

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

CEMENT TO COVER ALL OIL, GAS AND WATER BEARING ZONES

RECEIVED

Submit to appropriate District Office

AMENDED REPORT

AUG 09 2005

APPLICATION FOR PER

EX- Glen- yeso

NOO-AMT-FCM
N. 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 35008 | Property Name RED TANK ST COM | APL Number 30-015-34265 |
| Proposed Pool 1 Penasco Draw; Morrow 82770 | | Well No. 1 |
| Proposed Pool 2 | | |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 35 | 18-S | 24-E | | 660 | NORTH | 660 | WEST | EDDY |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

Additional Well Information

| | | | | |
|---|------------------------|--|-------------------------|-------------------------------------|
| Work Type Code N | Well Type Code G | Cable/Rotary ROTARY | Lease Type Code P | Ground Level Elevation 3713' |
| Multiple N | Proposed Depth 8900 | Formation MORROW | Contractor PATTERSON | Spud Date 11/1/2005 |
| Depth to Groundwater | | Distance from nearest fresh water well | | Distance from nearest surface water |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: 30,000_bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

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 | 61 #/FT | 360 | 400 SXS | SURFACE |
| 12-1/4 | 9-5/8 | 43.5 #/FT | 1150 | 400 SXS | SURFACE |
| 8-1/2 | 5-1/2 | 17 #/FT | 8900 | 600 SXS | EST. TOC 3000' |
| | | | | | Tie back |

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 11" X 5000 PSI FLANGED CONNECTIONS
 - 3) SIX STATION ACCUMULATOR CLOSING UNIT W/ REMOTE CONTROL

Fresh Water Mud down through intermediate hole BA

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOSD guidelines , a general permit , or an attached alternative OCD-approved plan

Michael S. Daugherty

Printed name: MICHAEL S. DAUGHERTY

Title: VICE PRESIDENT OPERATIONS

E-mail Address: mdaugherty@jdmii.com

Date: 8/8/2005

Phone: (972) 931-0700

OIL CONSERVATION DIVISION

Approved by:

Jim W. Green
District II Supervisor

Title:

Approval Date: AUG 19 2005 Expiration Date: AUG 19 2006

NOTIFY OCD OF SPUD & TIME TO WITNESS CEMENTING OF SURFACE & INTERMEDIATE CASING

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------------|--|-------------------|
| API Number | Pool Code | Pool Name |
| Property Code | Property Name RED TANK STATE COM | |
| OGRID No. 015363 | Operation Name MURCHISON OIL & GAS, INC. | |
| | Well Number 1 | Elevation 3713 |

Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn. | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| D | 35 | 18-S | 24-E | | 660 | NORTH | 660 | WEST | EDDY |

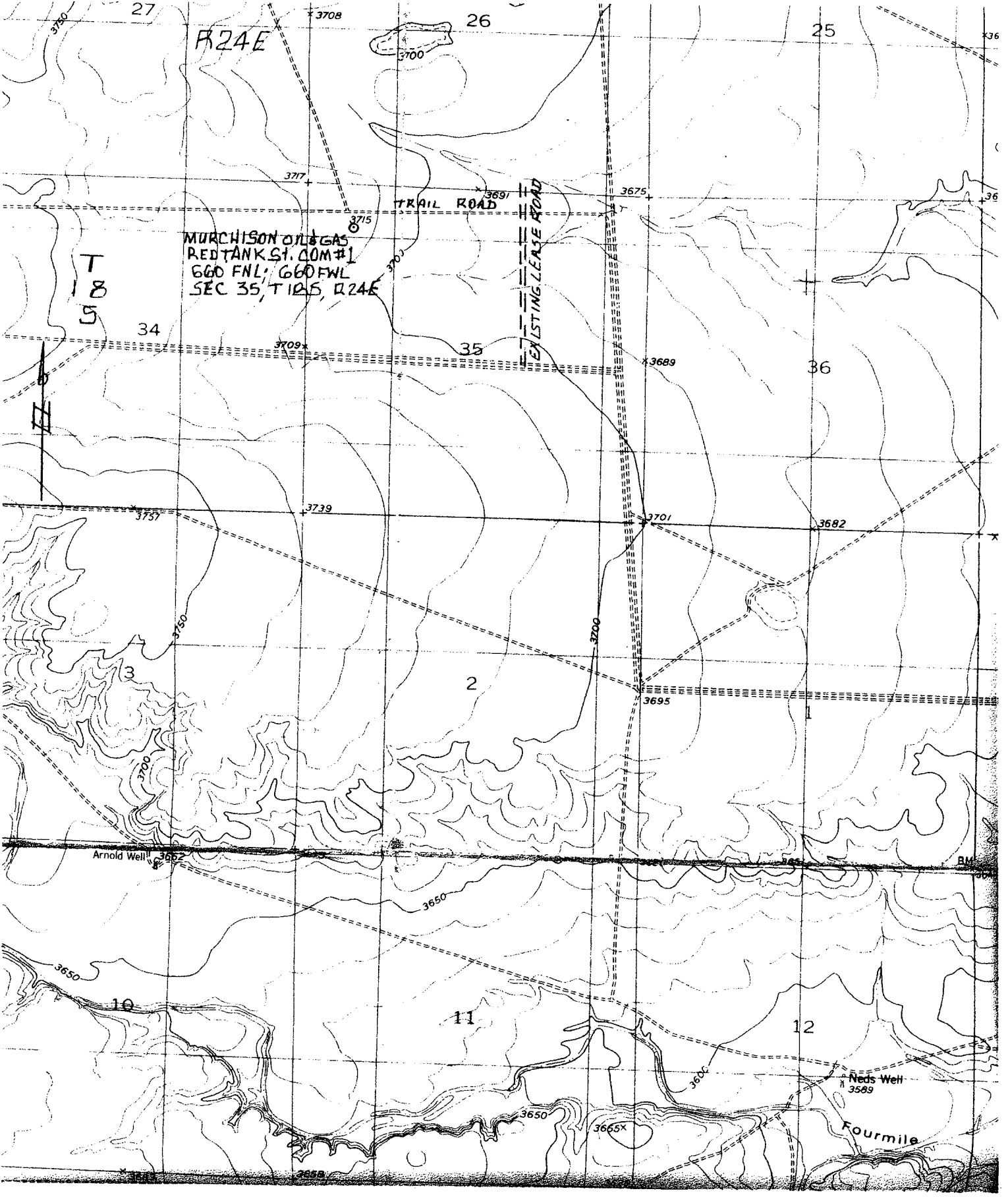
Bottom Hole Location If Different From Surface

| UL or Lot No. | Section | Township | Range | Lot Idn. | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 320 | Joint or Infill | Consolidation Code | Order No. |
|------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|--|
| | <p>OPERATOR CERTIFICATION</p> <p>I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p> <p><i>Michael S. Daugherty</i></p> <p>Signature</p> <p>MICHAEL S. DAUGHERTY</p> <p>Printed Name</p> <p>V P OPERATIONS, mdaugherty@jdmi.com</p> <p>Title and E-mail Address</p> <p>8/8/2005</p> <p>Date</p> |
| | <p>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 KNOWLEDGE AND BELIEF.</p> <p>JULY 29, 2005</p> <p>Date of Survey</p> <p><i>D. B. BERRY</i></p> <p>Signature and Seal of Professional Surveyor</p> <p>NEW MEXICO</p> <p>5412</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p> <p>NEW MEXICO</p> <p>8/24/05</p> <p>Certificate Number</p> |



MURCHISON OIL & GAS
REDTANK ST. COM #1
660 FNL; 660 FWL
SEC 35, T10S, R24E

TRAIL ROAD

EXISTING LEASE ROAD

T
10
S

R24E

Arnold Well
3652

Neds Well
3589

Fourmile

27

26

25

34

35

36

3

2

10

11

12

3708

3700

3717

3715

3700

3709*

3739

3757

3750

3700

3675

3689

3701

3682

3695

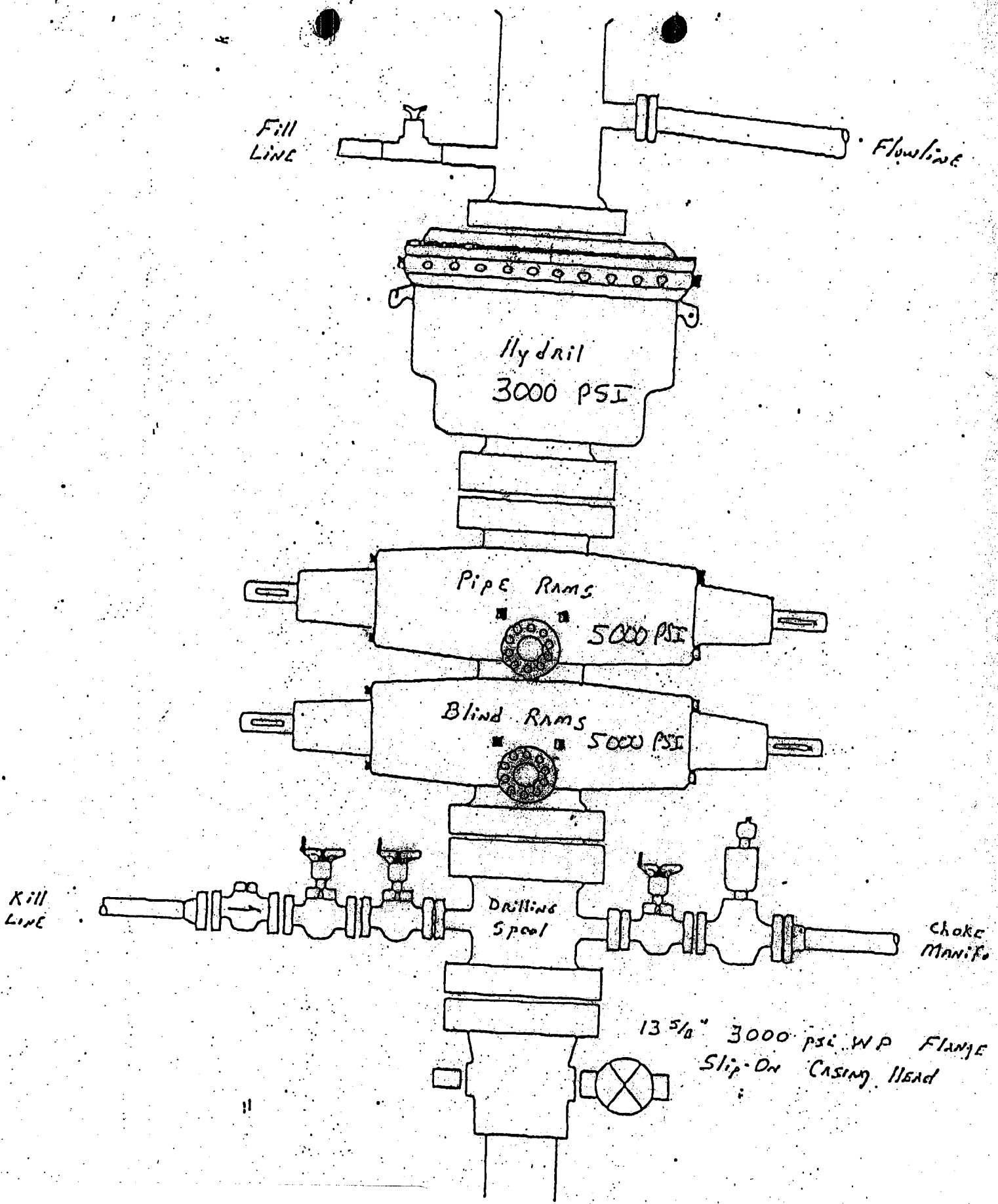
3650

3650

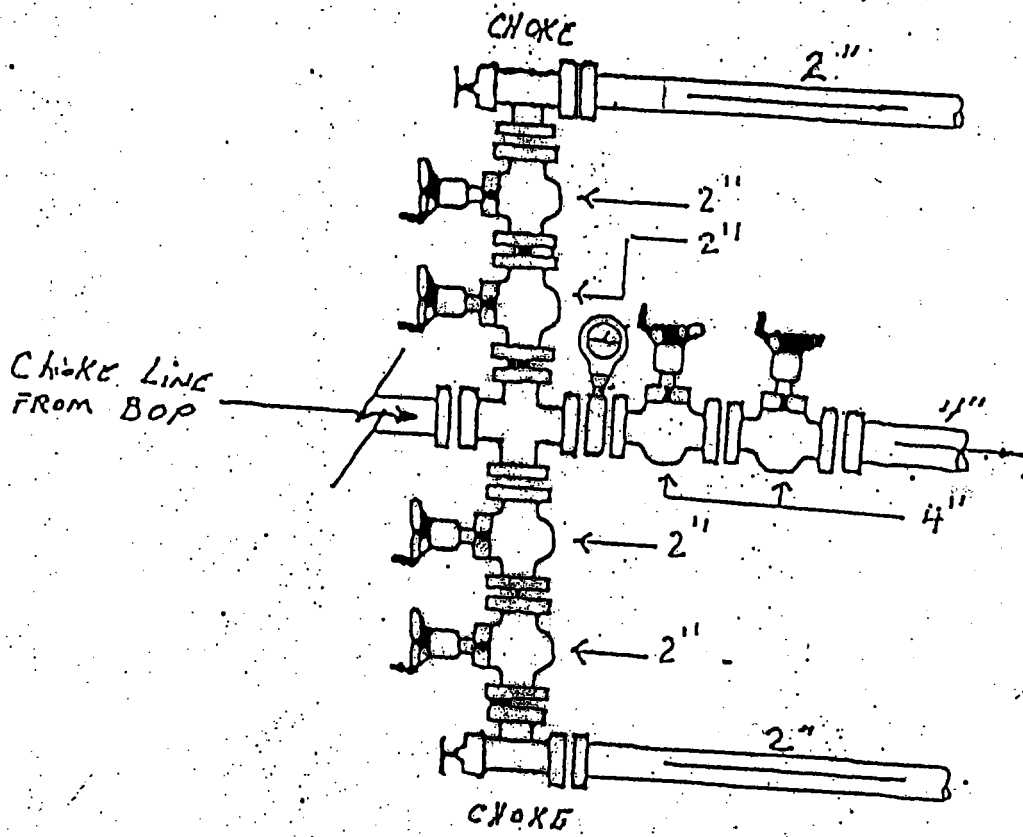
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3600



RED TANK ST COM #1
 660' FNL & 660' FWL
 SEC. 35, T18S, R24E
 EDDY CO., NM.



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 660' FNL & 660' FWL
 SEC. 35, T18S, R24E
 EDDY CO., NM.