

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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

1. Operator Name and Address MURCHISON OIL & GAS INC 1100 MIRA VISTA BLVD PLANO , TX 750934698		2. OGRID Number 15363
		3. API Number 30-015-34802
4. Property Code 35614	5. Property Name BACH	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	9	18S	23E	M	660	S	660	W	EDDY

8. Pool Information

WILDCAT; WOLFCAMP GAS	97489
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3961
14. Multiple N	15. Proposed Depth 8300	16. Formation Wolfcamp	17. Contractor	18. Spud Date 7/1/2006
Depth to Ground water 400		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 15000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	600	0
Int1	12.25	9.625	36	1350	1100	0
Prod	8.75	5.5	17	8300	1000	0

Casing/Cement Program: Additional Comments

Depth No. Sacks Shurries: 300' 400 Lead: Class "C"+2%CaCl2+3%Econolite+1/4ppsFlocele 200 Tail: Class "C"+2%CaCl+1/4ppsFlocele 1800' 900 Lead: Class "C"+2%CaCl+3%Econolite+1/4ppsFlocele 200 Tail: Class "C"+2%CaCl+1/4ppsFlocele 8300' 500 Lead: Class "C"+2%CaCl+Econolite 500 Tail: Class "C"+2%CaCl

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	
Hydril	3000	3000	

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 NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Michael Daugherty Title: Vice President Operations Email Address: mdaugherty@jdmii.com Date: 4/19/2006	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 4/21/2006	Expiration Date: 4/21/2007
	Conditions of Approval Attached	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number		² Pool Code		³ Pool Name WILDCAT WOLFCAMP	
⁴ Property Code		⁵ Property Name BACH			⁶ Well Number 1
⁷ OGRID No. 015363		⁸ Operator Name MURCHISON OIL & GAS, INC.			⁹ Elevation 3961

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	18-S	23-E		660	SOUTH	660	WEST	EDDY

¹¹ 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
D	9	18-S	23-E		760	NORTH	760	WEST	EDDY
¹² Dedicated Acre 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Michael S. Daugherty</i> Date: 4/18/2006</p> <p>Printed Name: MICHAEL S. DAUGHERTY</p>
	<p>¹⁸ 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 belief.</p> <p>MARCH 21, 2006</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Dan R. Reddy</i></p> <p>Certificate Number: 5412</p> <p>DAN R. REDDY NM PLATS NO. 5412</p>
	<p>PROFESSIONAL ENGINEER</p> <p>5412</p>

Permit Comments

Operator: MURCHISON OIL & GAS INC , 15363

Well: BACH #001

API: 30-015-34802

Created By	Comment	Comment Date
MSDAUGHERTY	Mud Program: Depth Weight Viscosity Filtrate 0'-1000' 8.6-8.8 28-34 No Contr 1000-4400' 8.8-9.2 28-34 No Contr 4400-5100' 8.8-9.2 28-34 10-15WL 4200-8981' 9.0-9.4 40-45 10-20WL	4/19/2006

Permit Conditions of Approval

Operator: MURCHISON OIL & GAS INC , 15363

Well: BACH #001

API: 30-015-34802

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	Will require a directional survey with the C-104
BArrant	Operator to drill surface and intermediate hole with clean fresh water mud.
BArrant	Please notify OCD time of spud and time to witness the cementing to surface of all casing strings.