State of New Mexico

Form C-101 Permit 101042

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

	Name and Address N OIL & GAS INC	2. OGRID Number
1100 MIR.	A VISTA BLVD. D , TX 75093	15363 3. API Number
22211	5,111,5055	30-015-37264
4. Property Code	5. Property Name	6. Wett No.
8132	OGDEN STATE	005

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	2	25S	26E	0	825	S	1650	E	EDDY

8. Pool Information

IDLACK RIVER, DELAWARE, 300 In	BLACK RIVER: DELAWARE, SOUTH	96451
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Additional Well Information

9. Work Type New Well			11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3370		
14. Multiple N	2007 CO.	osed Depth 100	16. Formation Delaware	17. Contractor	18. Spud Date 9/10/2009		
Depth to Ground	water		Distance from nearest fi	esh water well	Distance to nearest surface water		
Liner: Synthetic Closed Loop Syste	em [mils thick C	lay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air		

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	270	200	0
Int1	11	8.625	24	2000	400	0
Prod	7.875	2.875	6.5	2100	0	0

Casing/Cement Program: Additional Comments

11.750" Surf Casing: Cement w/ 200 sacks Prem Plus Cl C+addtvs w/ yield=1.35 cu. ft/sack; circ cement to surf. If cement doesn't circ, will run temp surv to find actual TOC & run 1" tubing into annulus/pump cement as nec to achieve circ to surf. 8.625" Int1 Casing: Cement w/ 150 sacks 35:65 Poz:Prem Plus Cl C+additives w/ yield=1.98 cu.ft./sack, tail w/ 200 sacks Poz:Prem Plus Cl C+additives w/ yield=1.51 cu./ft./sack; circ cement to surf. If cement does not circ, will run temp surf to find actual TOC and run 1" tubing into annulus pump cement as required to achieve circ to surf. Completion will be open-hole from 2000' to 2100' beneath 8-5/8" csg.

Proposed Blowout Prevention Program

	Туре	Working Pressure	Test Pressure	Manufacturer	٦
- 1	DoubleRam	2000	1000	TRD	

I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit w		OIL CONSERVATION DIVISION			
NMOCD guidelines , a general pern OCD-approved plan .	nit , or an (attached) alternative	Approved By: Jacqueta Reeves			
Printed Name: Electronically filed	Title: District Geologist				
Title: President	And the second s	Approved Date:	9/14/2009	Expiration Date: 9/14/2011	
Email Address: ctracy@jdmii.com					
Date: 8/26/2009	Phone: 972-931-0700	80			

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1301 W. Grand Avenue, Artesis, NM 88210

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec. NM 87410 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API	Number			Pool Code			Pool Name			
Property Code Property Name OGDEN STATE								Well Number 5A		
OGRID N	0.			MURCH	Operator Nam	ne	Elevation 3370'			
					Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	2	25 S	26 E		825	SOUTH	1650	EAST	EDDY	
			Bottom	Hole Loc	ation If Diffe	erent From Sur	face			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Dedicated Acre	s Joint o	r Infill Co.	nsolidation	Code Ord	der No.					
40				ļ						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

OR A NON-STAN	NDARD UNIT HAS BEEN APPROVED BY	THE DIVISION
		OPERATOR CERTIFICATION 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 or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
		8/20/0 Signature Date A. Arnold Nall Printed Name SURVEYOR CERTIFICATION
	SURFACE LOCATION Lat - N 32*09*14.18" Long - W 104*15*38.11" NMSPCE- N 419745.966 E 563850.317 (NAD-83)	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 supervison and that the same is true and correct to the best of my belief. Date parvered. Signature & Seal of
	0 1650' 1650	Professional Surveyor Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS

Permit Comments

Operator: MURCHISON OIL & GAS INC , 15363 Well: OGDEN STATE #005

API: 30-015-37264

Created By	Comment	Comment Date
MSDAUGHERTY	We respectfully request a variance for the 11-3/4" surf casing & BOP testing from Onshore Order No. 2, which states all casing strings below the conductor shall be pressure tested to 0.22 psi/ft. or 1500 psi, whichever is greater, but not to exceed 70% of the min internal yield. During the running of surf casing & drilling of the prod hole, we do not anticipate pressures greater than 1000 psi & we are requesting a variance to test the 11-3/4" casing & BOP syst to 1000 psi and to use the rig pumps instead of an independent svc co.	8/20/2009
MSDAUGHERTY	Equivalent or adequate grades and weights of casing may be substituted at the time casing is run, depending on availability.	8/20/2009
MSDAUGHERTY	Rotary Drill. Closed Loop System (Form C-144 to follow).	8/20/2009
JVREEVES	BOP needs to be tested by the service company.	9/14/2009
JVREEVES	Must use the min. grades and weights of casing if substitutions are made to Casing program.	9/14/2009