

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
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**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-103  
August 1, 2011

Permit 151041

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-015-40130
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator MURCHISON OIL & GAS INC		6. State Oil & Gas Lease No.
3. Address of Operator 1100 Mira Vista Blvd., Plano, TX 75093		7. Lease Name or Unit Agreement Name POLAR BEAR STATE COM
4. Well Location Unit Letter <u>H</u> : <u>2260</u> feet from the <u>N</u> line and <u>150</u> feet from the <u>E</u> line Section <u>1</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 004H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3668 GR.		9. OGRID Number 15363
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 _____		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other:	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: <b>Drilling/Cement</b> <input checked="" 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.  
 5/19/12 - 5/20/12 - Drilled 12-1/4 in. hole to 371 ft. & ran 9-5/8 in. csg (see details attached).  
 5/22/12 - 5/24/12 - Drilled 8-3/4 in. hole to 2551 ft.

5/25/12 - POOH to change bit; TIH - tag up at 602'. Wash & ream to 700'. Lost bit in hole at 700'. Pump cmt plug 674' to 400' w/86 sx Class C + 2% CaCl2 + .25% R38 mixed at 15.2 ppg, yield 1.3. Total slurry 20 bbls. Pump 5 bbls spacer ahead & 3.2 bbls spacer behind. Circ 7 bbls fluid to surface. WOC 12 hrs.  
 5/26/12 - 6/2/12 - TIH w/directional BHA tools & drill from 595' - 3911'.

See Attached  
 5/18/2012 Spudded well.

**Casing and Cement Program**

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
05/20/12	Surf	FreshWater	12.25	9.625	36	J-55	300	371	380		C		2500	0	N
05/20/12	Surf	FreshWater	12.25	9.625	36	J-55	170	371	45	1.34	C	300	2500	0	N
05/20/12	Surf	FreshWater	12.25	9.625	36	J-55	0	371	133	1.34	C	170	2500	0	N

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE COO DATE 7/2/2012  
 Type or print name Michael Daugherty E-mail address ccottrell@jdmii.com Telephone No. 972-931-0700

For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 7/3/2012 8:00:09 AM

Polar Bear 4H

9 5/8" Casing Sundry

5/19/12 – 5/20/12 - Drilled 12-1/4 in. hole to 371 ft. & ran 9-5/8 in. casing as follows:

1 Casing Shoe – 1.4 ft.  
1 Jt. 9-5/8 in. 36# J-55 LTC – 41.5 ft.  
1 Float Collar – 0.9 ft.  
8 Jts. 9-5/8 in. 36# J-55 LTC - 332 ft.  
Total – 376.14 ft.

Set casing @ 371 ft.

Cement:

Lead: w/200 sx 33.5bbls, 14.4 ppg "C" w/ 10% W-60, 1% CACL<sub>2</sub>, 5# Gilsonite, .25% R-38.

Tail: w/180sx 27.13bbls, 14.8ppg "C" w/ 1% CACL<sub>2</sub>, .25% R-38

Drop bottom plug. Displaced with 24.8 bbls fresh water. No cement returns on surface. Run grout string between annulus and 9 5/8" casing to 300'. Perform top job with 45sx 11 bbls "C" w/ 1% CACL<sub>2</sub>, .25% R-38. No cement to returns.

Wait for more cement. Run grout string in to 170 ft., tag hard cement. Perform second top job w/ 133 sx 20 bbls "C" w/ 1% CACL<sub>2</sub>, .25% R-38. Cement returns to surface 5bbls.

5/21/12 - Nipple up BOP and test to 250 psi low and 5000 psi high. Test annular to 250 psi low and 2500 psi high. Held OK. Trip in hole w/ 8-3/4 in. bit. WOC total of 29 hrs. Drill cement, float collar & shoe. Resume drilling formation at 371 ft.