

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
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
Phone:(505) 334-6178 Fax:(505) 334-6170
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 151892

SUNDRY NOTICES AND REPORTS ON WELLS (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 30-015-40160
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 HIGH NITRO STATE COM
4. Well Location Unit Letter <u>A</u> : <u>580</u> feet from the <u>N</u> line and <u>150</u> feet from the <u>E</u> line Section <u>12</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 003H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3714 GR.		9. OGRID Number 15363
Pit or Below-grade Tank Application ☐ or Closure ☐ 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 NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ Other: _____		SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTER CASING ☐ COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐ CASING/CEMENT JOB ☐ Other: Drilling/Cement ☒
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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.
 7/2/12 - 7/8/12 Drilled 8 3/4" hole to 3923' & ran 7" csg (see attached).
 7/16/12 Reached TD at 8,144'.
 7/19/12 Ran 4.5" liner & set at 8,145' (see attached).
 7/21/12 Released Rig.
 8/3/12 Cement squeeze into 7" x 9-5/8" cavity. RU Rising Star & pumped 75 sx (18 bbls) Class "C" + CaCl2 + 0.25% R-38, 14.8 ppg, 1.34 yld. RD & SI well.
 See Attached
 6/28/2012 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
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	198	373	750		C				N
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	198	373	190		C	198			N
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	198	373	50		C	198			N
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	198	373	100		C	198			N
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	156	373	50		C	156			N
06/29/12	Surf	FreshWater	12.25	9.625	36	J-55	0	373	100		C	156			N
07/08/12	Int1	Brine	8.75	7	26	L-80	0	3923	720	1.86	C		1500	0	N
07/08/12	Int1	Brine	8.75	7	26	L-80	0	3923	175	1.33	C		1500	0	N
07/08/12	Int1	Brine	8.75	7	26	L-80	0	3923	75	1.34	C		1500	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 8/14/2012
 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 8/14/2012 12:50:48 PM

High Nitro State Com #3H

7/2/12 – 7/8/12 - Drilled 8 3/4 in. hole to 3923 ft. & ran 7 in. casing as follows:

1 Casing Shoe – 1.0 ft.
2 Jt. 7" 26# L-80 New API LTC 8RD R3– 82.95 ft.
1 Float Collar – 1.0 ft.
93 Jts. 7" 26# L-80 New API LTC 8RD R3- 3838 ft.
Total – 3923 ft.

Set casing @ 3923 ft.

7/9/12 - Cement:

Lead: w/720 SKS 239 bbls CLASS C 65/35 + 6% BENTONITE + 0.3% C-15 + 0.25 Celloflake + 0.25 % R-38 + 3% Salt

Tail: w/175 SKS 41 bbls CLASS C + 0.4% C-15 + 0.25% R-38.

Drop bottom plug. Displaced with 140 bbls water. Bump plug with 1600 psi. Went 500 psi over and plugs held. Bled back 1.25 bbls. No cement returns on surface.

7/10/12 – 7/11/12 Nipple up BOP and test to 250 psi low and 5000 psi high. Test annular to 250 psi low and 1500 psi high. Held OK. Trip in hole w/ 6 1/8 in. bit. WOC total of 44.5 hrs. Drill cement & float collar & shoe. Resume drilling formation with 6.125" bit at 3923 ft.

7/16/12 – Reached 8,144' TD

7/19/12 – Ran 89 jts 4.5", 11.6# N-80 liner with 20 stage Baker completion system from 3769' to 8139'. Set packers & tested annulus to 1500 psi.

Rig released on 7/21/12.

8/3/12 - Cement squeeze into 7" x 9 5/8" cavity. RU Rising Star and pumped 75 sx (18 bbls) Class "C" cmt 14.8 ppg, 1.34 yld + CaCl₂ + 0.25% R-38. RD and SI well.