District I Form C-103 State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 August 1, 2011 Phone:(575) 393-6161 Fax:(575) 393-0720 Energy, Minerals and Natural District II Permit 157505 811 S. First St., Artesia, NM 88210 Resources WELL API NUMBER Phone:(575) 748-1283 Fax:(575) 748-9720 District III 30-015-40793 Oil Conservation Division 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 Indicate Type of Lease 1220 S. St Francis Dr. District IV S 1220 S. St Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 6. State Oil & Gas Lease No. SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name OGDEN STATE (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 008H Type of Well:O 9. OGRID Number 2. Name of Operator MURCHISON OIL & GAS INC 15363 3. Address of Operator 10. Pool name or Wildcat 1100 Mira Vista Blvd., Plano, TX 75093 4. Well Location 1175 Unit Letter feet from the line and feet from the line 25S 26E NMPM Section Township Range Eddy County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3362 GR Pit or Below-grade Tank Application or Closure Pit Type _ Depth to Groundwater_ Distance from nearest fresh water well_ Distance from nearest surface water_ mil Below-Grade Tank: Volume_ Pit Liner Thickness: bbls; Construction Material_ 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK ☐ ALTER CASING TEMPORARILY ABANDON CHANGE OF PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB Other: Other: Drilling/Cement X 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. 10/21/12: Drilled 12-1/4 in. hole to 377 ft. & ran 9-5/8 in. casing (details attached). 10/24 - 10/26/12: Drilled 8-3/4 in. hole to 2363 ft. & ran 7 in. casing (details attached). 10/28 - 11/6/12: Drilled main lateral & 4 sidetracks totaling 11,176' MD. 11/7/12: Released rig. See Attached 10/21/2012 Spudded well.

Weight Grade

36 J-55

26 L-80

TITLE COO

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 \square , a general permit \square or an (attached) alternative OCD-approved plan \square .

E-mail address ccottrell@jdmii.com

TITLE District Supervisor

Est

0

TOC

Dpth

377

0 2363

Set

Sacks Yield Class

C

C

275

800

1" Pres

Dpth Held

DATE 11/7/2012

DATE 11/7/2012 4:53:42 PM

Telephone No. 972-931-0700

Pres Open

Hole

N

Drop

Csg

Size

Hole

Size

8.75

12.25 9.625

Casing and Cement Program

10/21/12 Surf

10/26/12 Int1

For State Use Only: APPROVED BY:

Date

String

Fluid

Type

SIGNATURE Electronically Signed

Type or print name Michael Daugherty

FreshWater

Randy Dade

Ogden 8H

9 5/8" Casing Sundry

10/21/12 - Drilled 12-1/4 in. hole to 377 ft. & ran 9-5/8 in. casing as follows:

1- Casing Shoe - 1.41 ft.

1- Jt. 9-5/8 in. 36# J-55 LTC - 42.10 ft.

1- Float Collar - 0.91 ft.

8- Jts. 9-5/8 in. 36# J-55 LTC - 335.70 ft.

Total – 380.12 ft. (3.12ft. stick up)

Set casing @ 377 ft.

Cement:

<u>Lead:</u> w/154 sx (52 bbls), 12.8 ppg "C" 35/65 + 6% Bentonite + .25# Cello + .25% R-38, +5% Salt, Yield = 1.9

Tail: w/121sx (29 bbls), 14.8 ppg "C" + 2% CACL2 + .25# Cello + .25% R-38, Yield = 1.35

Saw cement returns; pumped 20 bbls fresh water spacer; pumped 52 bbls Lead Cement, 12.8 ppg. Pump 29 bbls, 14.8 ppg, Tail Cement. Dropped bottom Plug. Displaced Casing with 26 bbls of fresh water. Bumped plug w/ 500 psi over circulating pressure and held for 10 min. Bleed off pressure check float held. Received 31 bbls (92 sx) cement to surface. 10/22/12 11:50AM.

WOC 10/22/12 16:30 PM Cut casing; weld on well head.

10/23/12 5:00AM - Nipple up BOP and test, 250 psi low and 3000 psi high held. Test annular to 250 psi low and 1500 psi high; held. 10/23/12 19:00 PM, Trip in cased hole with 8-3/4 in. bit, drilling assembly and WOC total of 31 hrs. Drill cement, float collar & shoe. Resume drilling formation at 377 ft.