

**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-101  
August 1, 2011  
Permit 164429

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

|   |  |                               |
|---|--|-------------------------------|
| 1. Operator Name and Address<br>MURCHISON OIL & GAS INC<br>1100 Mira Vista Blvd.<br>Plano, TX 75093 |  | 2. OGRID Number<br>15363      |
| 4. Property Code<br>8127  |  | 3. API Number<br>30-025-41072 |
| 5. Property Name<br>JACKSON UNIT  |  | 6. Well No.<br>014H           |

**7. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| D        | 15      | 24S      | 33E   | D       | 200       | N        | 515       | W        | LEA    |

**8. Proposed Bottom Hole Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M        | 15      | 24S      | 33E   | M       | 330       | S        | 350       | W        | Lea    |

**9. Pool Information**

|                            |       |
|----------------------------|-------|
| TRIPLE X;BONE SPRING, WEST | 96674 |
|----------------------------|-------|

**Additional Well Information**

|                           |                             |  |                         |                                    |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3616 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>11200 | 18. Formation<br>2nd Bone Spring Sand  | 19. Contractor          | 20. Spud Date<br>5/1/2013          |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

**21. Proposed Casing and Cement Program**

| Type   | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf   | 16        | 13.375      | 54.5             | 1295          | 800             | 0             |
| Int1   | 12.25     | 9.625       | 40               | 5160          | 1375            | 0             |
| Prod   | 8.75      | 7           | 26               | 10920         | 700             | 4000          |
| Liner1 | 6.125     | 4.5         | 11.6             | 15600         | 400             | 10820         |

**Casing/Cement Program: Additional Comments**

Cement with 35% excess and circulate to surface on surface casing and intermediate casing. Cement with 50% excess on production casing to bring TOC to 4000' MD. Cement liner with 25% excess to bring TOC to 10820' MD.

**22. Proposed Blowout Prevention Program**

| Type      | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| Annular   | 5000             | 5000          | Schaffer     |
| DoubleRam | 5000             | 5000          | Schaffer     |

|  |   |
|--|---|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.<br>Signature: | <b>OIL CONSERVATION DIVISION</b>                      |
| Printed Name: Electronically filed by Michael Daugherty  | Approved By: Paul Kautz                               |
| Title: COO   | Title: Geologist                                      |
| Email Address: ccottrell@jdmii.com   | Approved Date: 3/26/2013   Expiration Date: 3/26/2015 |
| Date: 3/22/2013   Phone: 972-931-0700  | Conditions of Approval Attached                       |

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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 August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                    |   |                                 |   |
|------------------------------------|---|---------------------------------|---|
| <sup>1</sup> API Number            |   | <sup>2</sup> Pool Code<br>96674 | <sup>3</sup> Pool Name<br>Triple X; Bone Spring, West |
| <sup>4</sup> Property Code<br>8127 | <sup>5</sup> Property Name<br>JACKSON UNIT              |                                 | <sup>6</sup> Well Number<br>14H                       |
| <sup>7</sup> OGRID No.<br>6137     | <sup>8</sup> Operator Name<br>MURCHISON OIL & GAS, INC. |                                 | <sup>9</sup> Elevation<br>3616.1                      |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 15      | 24 S     | 33 E  |         | 200           | NORTH            | 515           | WEST           | LEA    |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M             | 15      | 24 S     | 33 E  |         | 330           | SOUTH            | 350           | WEST           | LEA    |

|                                      |                               |                                  |                         |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>160 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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>NOTE:<br/>LATITUDE AND LONGITUDE COORDINATES ARE SHOWN<br/>USING THE NORTH AMERICAN DATUM OF 1983 (NAD83)<br/>IN DEGREES MINUTES DECIMAL SECONDS FORMAT.<br/>BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST<br/>(NAD83) COORDINATES MODIFIED TO SURFACE.</p> <p>COMPUTED<br/>USING NMDOT ROW MAP<br/>HWY 128 DATED JULY 8, 2008</p> <p>COMPUTED<br/>USING NMDOT ROW MAP<br/>HWY 128 DATED JULY 8, 2008</p> | <p><b><sup>17</sup> OPERATOR CERTIFICATION</b><br/>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 or has a right to drill this well at this 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.</p> <p>Signature: <i>Jack Rankin</i> Date: 3/21/13<br/>Jack Rankin, VP Operations</p> <p>Printed Name<br/>jrankin@jdmii.com</p> <p>E-mail Address</p> |
|  | <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b><br/>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 13, 2013</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Filimon F. Jaramillo</i><br/>Certificate Number: FILIMON F. JARAMILLO, PLS 12797<br/>SURVEY NO. 1485B</p>  |
|  |  |
|  |  |

## Permit Comments

Operator: MURCHISON OIL & GAS INC , 15363

Well: JACKSON UNIT #014H

API: 30-025-41072

| Created By | Comment   | Comment Date |
|------------|---|--------------|
| pkautz     | Land s/S  | 3/25/2013    |
| CHERRERA   | OCD RECEIVED FORM C144 CLEZ. OCD PERMIT #P1-05939 | 3/26/2013    |

## Permit Conditions of Approval

Operator: MURCHISON OIL & GAS INC , 15363

Well: JACKSON UNIT #014H

API: 30-025-41072

| OCD<br>Reviewer | Condition  |
|-----------------|--|
| pkautz          | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |
| pkautz          | In order to seal off protectable water, the surface casing must be set 25' below the top of Rustler Anhydrite. Estimated top of Rustler Anhydrite is approximately 1270'.  |