

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003
		WELL API NO. 30-015-33436
		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
		State Oil & Gas Lease No. V5660
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name PANDA BEAR
b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____		
2. Name of Operator MURCHISON OIL & GAS, INC.		8. Well No. 1
3. Address of Operator 1100 MIRA VISTA BLVD., PLANO, TX. 75093-4698		9. Pool name or Wildcat SOUTH EMPIRE MORROW (GAS)
4. Well Location Unit Letter <u>D</u> : <u>1280</u> Feet From The <u>NORTH</u> Line and <u>1123</u> Feet From The <u>WEST</u> Line Section <u>2</u> Township <u>17-S</u> Range <u>28-E</u> NMPM County <u>EDDY</u>		
10. Date Spudded 11/7/04	11. Date T.D. Reached 12/5/04	12. Date Compl. (Ready to Prod.) 12/28/04
13. Elevations (DF& RKB, RT, GR, etc.) 3678 GR		14. Elev. Casinghead 3678
15. Total Depth 10,325'	16. Plug Back T.D. 10240'	17. If Multiple Compl. How Many Zones? N/A
18. Intervals Drilled By ROTARY		19. Producing Interval(s), of this completion - Top, Bottom, Name 10,000 - 10,028
20. Was Directional Survey Made NO		21. Type Electric and Other Logs Run GR-COMPENSATED NEUTRON - DENSITY LATERLOG
22. Was Well Cored		
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
13-3/8	68 #/FT	308
9-5/8	40 #/FT	2150
5-1/2	17 #/FT	10325
24. LINER RECORD		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
	2-7/8	9982
26. Perforation record (interval, size, and number) 10,000 - 10,028 28' 112 HOLES		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
28. PRODUCTION		
Date First Production 12/28/04		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING
		Well Status (Prod. or Shut-in) SHUT - IN
Date of Test 12/28/04	Hours Tested 4 HRS.	Choke Size 30/64
Prod'n For Test Period	Oil - Bbl 2	Gas - MCF 2333
	Water - Bbl. 0	Gas - Oil Ratio 0
Flow Tubing Press. 2500	Casing Pressure 0	Calculated 24-Hour Rate 48
	Oil - Bbl. 48	Gas - MCF 14000
	Water - Bbl. 0	Oil Gravity - API - (Corr.) 55°
29. Disposition of Gas (Sold, used for fuel, vented, etc.) FLARED		Test Witnessed By TOMMY FOLSOM
30. List Attachments GR, COMPENSATED NEUTRON - DENSITY, LATERLOG		
31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief		
Signature <u>Michael S. Daugherty</u> E-mail Address <u>mdaugherty@jdmii.com</u>		Printed Name MICHAEL S. DAUGHERTY Title V.P. OPERATIONS Date 1/13/2005

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico		
T. Anhy	T. Canyon	8577	T. Ojo Alamo	T. Penn. "B"	
T. Salt	T. Strawn	9121	T. Kirtland-Fruitland	T. Penn. "C"	
B. Salt	T. Atoka	9588	T. Pictured Cliffs	T. Penn. "D"	
T. Yates 630	T. Miss	10267	T. Cliff House	T. Leadville	
T. 7 Rivers	T. Devonian		T. Menefee	T. Madison	
T. Queen 1360	T. Silurian		T. Point Lookout	T. Elbert	
T. Grayburg 1635	T. Montoya		T. Mancos	T. McCracken	
T. San Andres 2148	T. Simpson		T. Gallup	T. Ignacio Otzte	
T. Glorieta 3536	T. McKee		Base Greenhorn	T. Granite	
T. Paddock	T. Ellenburger		T. Dakota	T.	
T. Blinebry	T. Gr. Wash		T. Morrison	T.	
T. Tubb 4876	T. Delaware Sand		T. Todilto	T.	
T. Drinkard	T. Bone Springs		T. Entrada	T.	
T. Abo 5584	T.		T. Wingate	T.	
T. Wolfcamp 6746	T.		T. Chinle	T.	
T. Penn	T.		T. Permian	T.	
T. Cisco (Bough C) 7956	T.		T. Penn "A"	T.	

OIL OR GAS SANDS OR ZONES

No. 1, from..... 10,000..... to..... 10,028.....
 No. 2, from..... to.....
 No. 3, from..... to.....
 No. 4, from..... to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from..... to..... feet.....
 No. 2, from..... to..... feet.....
 No. 3, from..... to..... feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
2200	3516	1315	ANHYDRITE & DOLOMITE				
3516	5560	2044	DOLOMITE, SAND & SILT				
5560	6760	1200	ANHYDRITE, DOLOMITE, SHALE				
6760	9590	2830	LIME, DOLOMITE & SHALE				
9590	10325	735	LIME, SAND & SHALE				

OPERATOR: MURCHISON OIL & GAS
WELL/LEASE: PANDA BEAR ST COM #1
COUNTY: EDDY, NM

510-5060

STATE OF NEW MEXICO
DEVIATION REPORT

166	3/4
495	3/4
972	1/2
1,445	1/4
1,920	3/4
2,396	1/2
2,840	1/4
2,999	1/2
3,192	1/4
3,666	1/4
4,141	1/4
4,615	1/2
5,091	1/2
5,377	3/4
5,563	1
6,037	3/4
6,511	1 1/4
6,986	3/4
7,490	1
7,511	1
7,878	1 1/2
8,351	2
8,731	2 1/4
9,046	2 3/4
9,391	1 3/4
9,537	1 3/4
9,990	3
10,325	4

RECEIVED
JAN 18 2005
OCD-ANTHESIA

By: Steve Moore

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on December 13th, 2004, by
Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

J Robertson
Notary Public for Midland County, Texas
My Commission Expires: 8/23/2007



J ROBERTSON
Notary Public, State of Texas
My Commission Expires:
August 23, 2007