

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M.C. Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

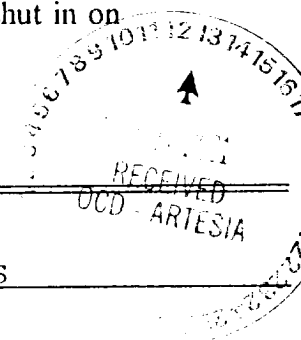
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Well Serial No. NM 0556859-A
2. Name of Operator MURCHILSON OIL & GAS, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698	3b. Phone No. (include area code) (972) 931-0700	7. If Unit or C/A Agreement, Name and/or No. NASH UNIT 8131
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SURFACE: 1628 FSL & 2150 FWL UNIT K SEC 12 T23S R29E BHL: 660 FNL & 1980 FWL UNIT C SEC 12 T23S R29E		8. Well Name and No. NASH UNIT #52
		9. API Well No. 30-015-31510
		10. Field and Pool, or Exploratory Area NASH DRAW MORROW
		11. County or Parish, State EDDY COUNTY, NM.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PERFORATE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PBTD @ 14215'. Run in hole with casing gun and perforate 13045-061' w/ 32 holes. TIH w/ 414 Jts. 2 7/8" 6.5 P110 Hydrill tubing and Arrow packer to 12797'. Set packer @ 12797' w/ bottom tubing @ 12837'. Flow well. Acidize w/ 2500 15% HCL and 2000 SCF N2. Flow well back. 18 HR SITP 1600 PSI. Kill well and perforate with a through tubing gun 12969-56' w/ 6 shot/ft. 78 holes. Acidize both intervals w/ 4000 gas 7.5% Morrow Acid and 14900 SCF. Flow well back and clean up. Flow over night. Flow after 18 HRS. 2000 MCFD on 20/64 CK @ 800 PSI. Shut well in and wait on BLM approval for pipeline to connect to sales. Well shut in on 9/6/01.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) MICHAEL S. DAUGHERTY		Title VICE PRESIDENT OPERATIONS
Signature <i>Michael S. Daugherty</i>		Date 10/31/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
ACCEPTED FOR RECORD
(ORIG. SGD.) DAVID H. GLASS

Approved by	Title NOV 6 2001
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	