

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-37901
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-7612
7. Lease Name or Unit Agreement Name HIGHTOWER STATE UNIT
8. Well Number 1
9. OGRID Number 015363
10. Pool name or Wildcat HIGHTOWER DEVONIAN

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
MURCHISON OIL & GAS, INC.

3. Address of Operator
1100 MIRA VISTA BLVD.
PLANO, TX. 75093-4698

4. Well Location
Unit Letter A : 660 feet from the NORTH line and 1300 feet from the EAST line
Section 27 Township 12-S Range 33-E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Drilled a 8-1/2" hole to a depth of 7000'. Ran 7-5/8" casing as follows:

1	Float Shoe	1'
1 Jt	7-5/8" 38.05 #/FT 13CR L-80	39'
1	Float Insert	2'
180 Jts	7-5/8" 38.05 #/FT L-80	6962'
		7004'

Set casing @ 6999'. Cemented lead w/ 500 SXS 35/65 POZ + D44 + 10 #/SX D20 + 1/8 #/SX D130 + 3 #/SX D24 and tail w/ 200 SXS Class "C" + 1/8 #/SX D130. Bump plug, floats held. Did not circulate any cement to surface. WOC 8 Hrs. RD BOP. Cut off 7-5/8" csg and install "C" section on well head. Test to 3000 PSI. OK. Ran temperature survey TOC @ 3980'. NU BOP. Change pipe rams to 3-1/2" rams. Test BOP to 3000 PSI. OK. Test blinds, pipe rams, choke valves and HCR to 1500 PSI. Held OK. Hook up flow line, tie off BOP. WOC total 44 Hrs. Drill out float collar, test casing to 1500 PSI for 30 min. Test OK. Drill out shoe and resume drilling open hole w/ 6-1/2" bit.

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 NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Michael S. Daugherty TITLE VICE PRESIDENT OPERATIONS DATE 8/10/2006

Type or print name MICHAEL S. DAUGHERTY E-mail address: mdaugherty@jdmii.com Telephone No. (972) 931-0700

For State Use Only

PETROLEUM ENGINEER

AUG 28 2006

APPROVED BY: [Signature] TITLE _____ DATE _____

Conditions of Approval (if any):