

RECEIVED

OIL CONSERVATION DIVISION

DEC 03 2008

HOBBS (11)

WELL API NO.

30-025-39130

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

V-07612

7. Lease Name or Unit Agreement Name

HIGHTOWER STATE UNIT

8. Well Number

3

9. OGRID Number

015363

10. Pool name or Wildcat

HIGHTOWER, PERMO PENN

## 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 &amp; GAS, INC.

3. Address of Operator 1100 MIRA VISTA BLVD.

PLANO, TX. 75093-4698

## 4. Well Location

Unit Letter I : 1750 feet from the SOUTH line and 330 feet from the EAST lineSection 27 Township 12S Range 33E 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER: ☐

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 12-1/4" hole to a depth of 3820' on 10/12/2008. Ran 9-5/8" casing as follows:

1	Float Shoe	1'
1 jt.	9-5/8" 40#/FT J-55 LT&C	45'
1	Float Collar	2'
87 jts.	9-5/8" 40#/FT J-55 LT&C	3776'
		3824'

Set casing @ 3801'. Cement w/ 760 SXS. EconoCem + 10% BWOC Bentonite + 8 PPS salt + 1 PPS Pheno seal. WT = 11.9 ppg, Yield = 2.47 cu.ft./sx (366 bbls), WR = 14.21 GPS. Tail w/ 200 SXS Halcem-C + 1% BWOC CaCl. WT = 14.8 ppg, Yield = 1.34 cu.ft./sx (48 bbls), WR = 6.40 GPS. Bumped plug w/ 1500 PSI. Plug held OK. Circulated 91 SXS to reserve pit. WOC 11 HRS. Cut 9-5/8" csg. and install "B" section. Test to 2000 PSI. OK. Nipple up 11" 5M BOP. Test choke, manifold and BOP to 250 PSI low and 5000 PSI high pressures. Test annular to 250 PSI low and 2500 PSI high pressures. Held OK. WOC total of 24-1/2 HRS. Drill out collar and test casing to 1500 PSI. Tested OK. Resume drilling 8-3/4" hole.

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 A. Arnold TITLE Vice President Operations DATE 12/2/2008Type or print name A. ArnoldE-mail address: arnall@jdmii.comTelephone No. (972) 931-0700

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER

Conditions of Approval (if any):

DEC 04 2008