

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720

District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 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-103  
Permit 60514

WELL API NUMBER 30-015-35679	
5. Indicate Type of Lease S	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name BEAR DRAW STATE COM	
8. Well Number 001	
9. OGRID Number 15363	
10. Poolname or Wildcat	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well:G	
2. Name of Operator MURCHISON OIL & GAS INC	
3. Address of Operator 1100 MIRA VISTA BLVD. , PLANO , TX 75093	
4. Well Location Unit Letter B : 660 feet from the N line and 1980 feet from the E line Section 3 Township 17S Range 29E NMPM Eddy County	
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3640 GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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"/> ALTER CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
Other:	Other: <b>Drilling/Cement</b> <input checked="" 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.

See Attached

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
09/05/07	Surf	FreshWater	17.5	13.375	61	J-55	125	354	758	1.52	C	119	100	0	N

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

SIGNATURE Electronically Signed TITLE President DATE 9/14/2007  
Type or print name Michael Daugherty E-mail address ctracy@jdmui.com Telephone No. 972-931-0700

For State Use Only:

APPROVED BY: Bryan Arrant TITLE Geologist DATE 9/19/2007 2:12:18 PM

Spud well w/ 17-1/2" hole @ 9:00 AM 9/4/2007. Drilled 17-1/2" hole to a depth of 354'. Run 13-3/8" as follows:

1	Texas Pattern Shoe	1'
1 Jt	13-3/8" 61# J-55 BT&C	38'
1	Float Collar	2'
8 Jts	13-3/8" 61# J-55 BT&C	<u>316'</u>
		357'

Set casing @ 354'. Cement with 180 SXS Thixotropic cement + 10% A10 + 1% CaCl + .25 #/SX CF + 10 #/SX LCM-1 followed by 400 SXS Class "C" + 2% CaCl + .125# CF. Plug down. Bumped plug, float did not hold. Did not circulate cement. SI w/ 100 PSIG. WOC 6 HRS. Ran temp survey. TOC @ 125'. Ran 4 jts of 1" to 119' and tag TOC. Cement to surface with 178 SXS Class "C". Circulated 5 SXS to pit. Cut off conductor and 13-3/8" casing. Weld on wellhead & test to 600 PSI. OK. Pick up, nipple up and test BOPE to 600 PSI. Held OK for 30 min. WOC total of 22 HRS. TIH with bit and drill cement and float collar. Test casing to 600 PSI. Held OK for 30 min. Drill shoe and resume drilling 12-1/4" hole.