

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 229641

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address MURCHISON OIL & GAS INC Legacy Tower One Plano, TX 75024		2. OGRID Number 15363
4. Property Code 317152		3. API Number 30-015-43984
5. Property Name JAWBONE STATE		6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	2	25S	26E		200	N	1895	E	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	2	25S	26E	O	330	S	1895	E	Eddy

9. Pool Information

COTTONWOOD DRAW; BONE SPRING (O)	97494
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3376
16. Multiple N	17. Proposed Depth 11985	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 1/15/2017
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	16	13.375	48	300	195	0
Int1	12.25	9.625	36	1980	640	0
Prod	8.75	5.5	17	11985	2214	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Cameron
Double Ram	5000	5000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Cindy Cottrell Title: Regulatory Coordinator Email Address: ccottrell@jdmii.com Date: 12/13/2016	Approved By: Paul Kautz Title: Geologist Approved Date: 12/15/2016 Expiration Date: 12/15/2018 Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97494	³ Pool Name COTTONWOOD DRAW;BONE SPRING
⁴ Property Code	⁵ Property Name JAWBONE STATE	⁶ Well Number 2H
⁷ OGRID No. 15363	⁸ Operator Name MURCHISON OIL & GAS, INC.	⁹ Elevation 3375.7

¹⁰ Surface Location

UL or lot no. 2	Section 2	Township 25 S	Range 26 E	Lot Idn	Feet from the 200	North/South line NORTH	Feet from the 1895	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. O	Section 2	Township 25 S	Range 26 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 1895	East/West line EAST	County EDDY
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¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>N89°58'46"E 2651.38 FT</p> <p>NW CORNER SEC. 2 LAT. = 32°09'59.196"N LONG. = 104°16'20.060"W</p> <p>N/4 CORNER SEC. 2 LAT. = 32°09'59.189"N LONG. = 104°15'49.220"W</p> <p>LOT 4 LOT 3</p> <p>LOT 2 40.13 AC. (BLM)</p> <p>LOT 1</p> <p>JAWBONE STATE 2H ELEV. = 3375.7' LAT. = 32°09'57.180"N (NAD83) LONG. = 104°15'40.467"W</p> <p>NE CORNER SEC. 2 LAT. = 32°09'59.080"N LONG. = 104°15'18.402"W</p> <p>W/4 CORNER SEC. 2 LAT. = 32°09'32.610"N LONG. = 104°16'20.688"W</p> <p>E/4 CORNER SEC. 2 LAT. = 32°09'32.793"N LONG. = 104°15'18.713"W</p> <p>NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) IN DEGREES MINUTES DECIMAL SECONDS FORMAT. BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST (NAD83) COORDINATES MODIFIED TO SURFACE. ELEVATION VALUES ARE NAVD88.</p> <p>SE CORNER SEC. 2 LAT. = 32°09'06.587"N LONG. = 104°15'19.038"W</p> <p>SW CORNER SEC. 2 LAT. = 32°09'05.605"N LONG. = 104°16'21.355"W</p> <p>S/4 CORNER SEC. 2 LAT. = 32°09'05.655"N LONG. = 104°15'50.219"W</p> <p>1895'</p> <p>200'</p> <p>330'</p> <p>1895'</p> <p>S89°51'26"W 2677.28 FT</p> <p>S87°56'53"W 2682.85 FT</p> <p>1895'</p> <p>200'</p> <p>1895'</p> <p>2657.05 FT</p> <p>2648.87 FT</p> <p>2697.76 FT</p> <p>2720.03 FT</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Gary Cooper</i> Date: 12/12/16</p> <p>Printed Name: Gary Cooper</p> <p>E-mail Address: rcooper@jdmii.com</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 9, 2016</p> <p>Date of Survey: 12/09/16</p> <p>Signature and Seal of Professional Surveyor: <i>Filimon F. Jaramillo</i></p> <p>Certificate Number: FILIMON F. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 4938A</p>
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Form APD Comments

Permit 229641

PERMIT COMMENTS

Operator Name and Address: MURCHISON OIL & GAS INC [15363] Legacy Tower One Plano, TX 75024	API Number: 30-015-43984
	Well: JAWBONE STATE #002H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 229641

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MURCHISON OIL & GAS INC [15363] Legacy Tower One Plano, TX 75024	API Number: 30-015-43984
	Well: JAWBONE STATE #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of spudding a well.
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.