

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

<p>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.)</p>		<p>WELL API NO. 30-015-32176</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator MURCHISON OIL & GAS, INC.</p>		<p>6. State Oil & Gas Lease No. E-9782</p>
<p>3. Address of Operator 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698</p>		<p>7. Lease Name or Unit Agreement Name HUGGIE BEAR ST. COM.</p>
<p>4. Well Location Unit Letter <u>H</u> : <u>1420</u> feet from the <u>NORTH</u> line and <u>990</u> feet from the <u>EAST</u> line Section <u>2</u> Township <u>17S</u> Range <u>28E</u> NMPM County <u>EDDY</u></p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3573 GL</p>		<p>9. OGRID Number 015363</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat</p>
<p>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 _____</p>		

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

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

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.

Re-entered well on 9/14/04. Drilled out cement plugs to a depth of 9060'. Ran casing as follows:

1	Float Shoe	1'
2 Jts	5-1/2" 17# N-80 LT&C	82'
1	Float Collar	1'
188 Jts	5-1/2" 17# N-80 LT&C	7777'
TOTAL		7861'

Cemented with 1200 SXS Super "C" modified cement. Good circulation during job. Bumped plug. TOC @ 2860 by CBL. Perforated casing @ 7544-32 and 7434-40 w/ 4 SPF.

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 Michael Daugherty TITLE VICE PRESIDENT OPERATIONS DATE 10/7/2004

Type or print name
For State Use Only

E-mail address: mdaugherty@jdmii.com Telephone No. (972) 931-0700

FOR RECORDS ONLY

OCT 15 2004

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any):