

OCD-ARTESIA

 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator *Marchison Oil & Gas, INC.*

3a. Address *1160 Mira Vista Blvd. Plano, TX 75093* 3b. Phone No. (include area code) *972-931-0700*

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) *SURF LOC. 660 FSL + 860 FEL BLM 760 FNL + 760 FEL Sec 4, T-17S, R-23E*

 FORM APPROVED
 OMB No. 1004-0137
 Expires: March 31, 2007
5. Lease Serial No. *NM108988*

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. *Dainwood Drawed 4#1*9. API Well No. *30-015-35175*10. Field and Pool, or Exploratory Area *Wildcat Wellcamp*11. County or Parish, State *Eddy Co. NM*

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☒ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other <i>P+ A Well</i>
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/EIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

See ATTACHED P+ A Procedure, Diagram, + well survey report

This Procedure was approved by Wesley Ingram ON 1-15-07 by phone.

*Accepted for record
NMOC/D.*

Approved as to plugging of the well bore.
Liability under bond is retained until
Surface restoration is completed.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Tommy W. Folsom

Signature

T W Folsom

Title *Production Manager*

Date

1-15-07 APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

Date

JAN 16 2007

Wesley W. Ingram
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MURCHISON OIL AND GAS, INC.
DAINWOOD DRAW "4" FEDERAL #1
Sec. 4, T-17S, R- 23E
660' FSL AND 860' FEL
Eddy County, New Mexico

P&A PROCEDURE

January 15, 2007

CASING:

Surface -	13 3/8" - 68#, N-80 BT&C	@ 300' Cmt Cir.
Intermediate	9 5/8" - 43.5, J-55 LT&C	@ 1,314' Cmt Cir.
Production Liner	7 5/8" - 29# P-110 LT&C	@ 3,100' TOC at 300' by TS
Open Hole	6 1/2"	3,100' to 5,342'

ELEVATION:

G.L. 4,039'

DIRECTIONAL SURVEY:

Description	MD	TVD
Kick off point	3400	3399
End Of Curve	4699	4262
TD	5342	4246

LOGS:

Schlumberger CNLDLGR Dated 1-1-07

PROCEDURE:

Notify BLM of plugging and tag operation to allow opportunity to witness.

1. TIH to 4,603' and set 50sx plug , allow time for cmt to set. **TAG PLUG** if plug is lower than 4,412' MD spot additional plug and tag. Top of cmt plug has to be at or above 4412' MD 4212 TVD.
2. Set 25 sx plug at 3500' and up, estimated plug length 146'. Top of Abo *TAG-rig notified 1/16/07*
3. Set 25 sx 7 5/8" shoe plug at 3150' and up, allow time for cmt to set. **TAG PLUG** if plug is lower than 3050' spot additional plug and tag. Top of cmt has to be at or above 3050' MD.
4. Set 25 sx plug at 2280' and up, estimated plug length 130'. Top of Glorietta/ Yeso.

Murchison Oil and Gas, Inc.
Dainwood Draw 4 Fed #1
P & A Procedure
Page 2 of 2

5. Set 25 sx 9 5/8" shoe plug at 1364' and up, allow time for cmt to set. **TAG PLUG** if plug is lower than 1264', spot additional plug and tag. Top of cmt has to be at or above 1264' MD.
6. Set 25 sx 13 3/8" shoe plug at 350' and up, allow time for cmt to set. **TAG PLUG** if plug is lower than 250', spot additional plug and tag. Top of cmt has to be at or above 250' MD.
7. Perforate 7 5/8" 50' above tag on 13 3/8" shoe plug. Circulate cmt through perforations and fill both sides of 7 5/8" csg to surface w/ cmt for surface plug.
8. Cut off well head and install plate over csg. Weld on 4" P & A marker 4' above ground level with the following information welded on marker.

MURCHISON OIL AND GAS, INC.
P & A DATE
DAINWOOD DRAW 4 FED. #1
SEC. 4, T-17S, R-23E
660' FSL AND 860' FEL
EDDY COUNTY, NM

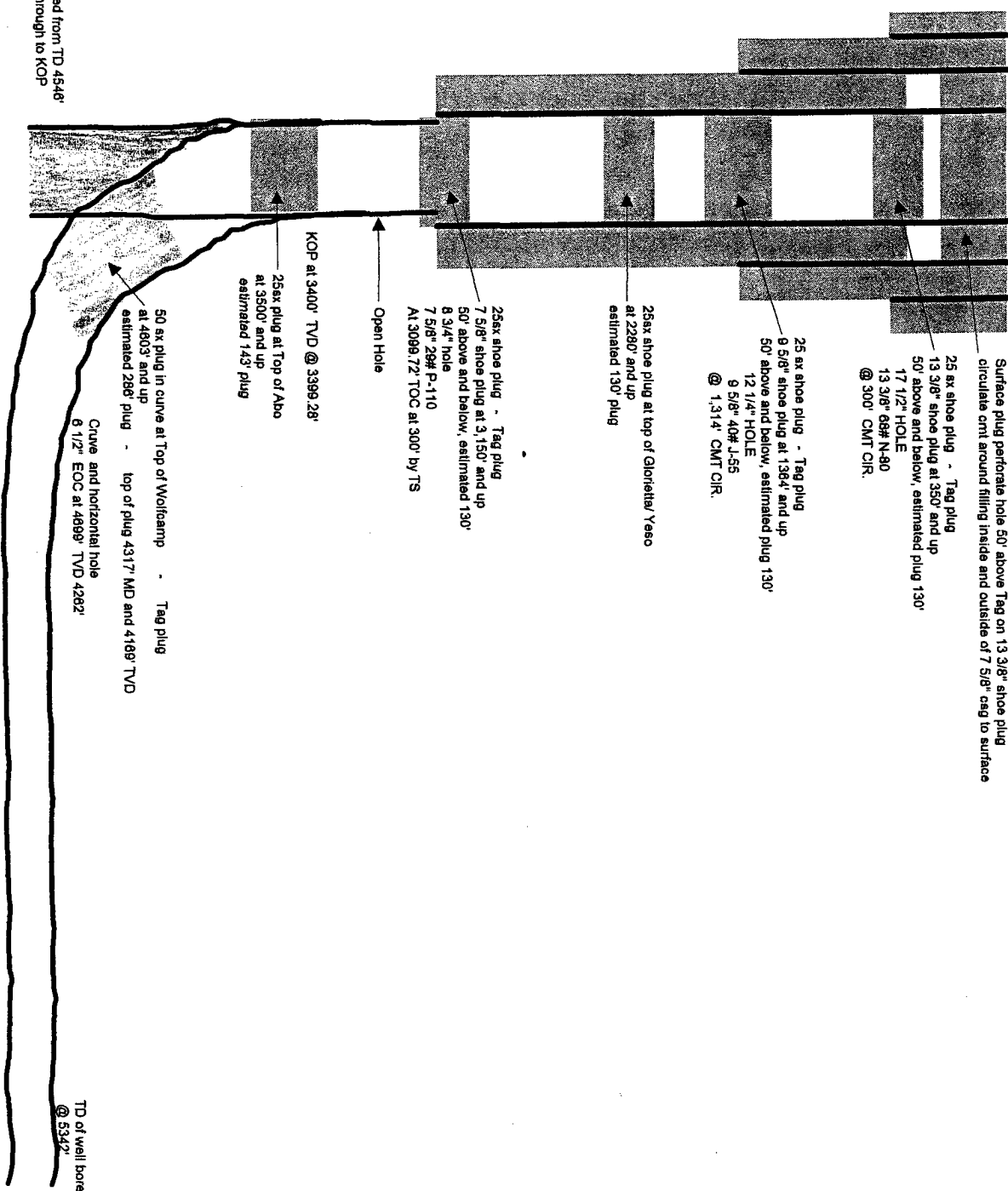
9. Move rig off location, fence pits, fill in cellar, close pits as required and complete location abandonment as required by BLM.

MURCHISON OIL AND GAS, INC.
 Delwood Drw Fed #1
 SEC. 4, T-17S, R-23E
 Surt, 860' FSL AND 860' FEL
 Eddy COUNTY, NEW MEXICO
 API # 30-015-35175

GL: 4039'

FORMATION TOPS:

Glorietta / Yesso - 2280'
 Abo - 3507'
 Wolfcamp - 4288'



DAINWOOD DRAW 4 FED #1

# #	MD feet	INC deg	AZI deg	TVD feet	RCN feet	RCE feet	SECT feet	DLS deg/100ft	CL feet
THE FOLLOWING IS SCIENTIFIC GYRO-DATA									
3400		0.89	51.36	3399.28	-39.28	9.41	-39.09	-999.25	0
THE FOLLOWING ARE PATHFINDER SURVEYS									
3427		0.97	44.81	3426.28	-39.00	9.72	-38.80	0.73	27.00
3459		1.58	40.76	3458.27	-38.47	10.20	-38.27	1.93	32.00
3491		3.96	12.90	3490.23	-37.06	10.73	-36.84	8.34	32.00
3523		7.56	8.51	3522.06	-33.90	11.29	-33.67	11.33	32.00
3555		12.40	6.22	3553.57	-28.40	11.97	-28.16	15.17	32.00
3586		15.56	5.70	3583.65	-20.95	12.75	-20.70	10.20	31.00
3618		17.50	5.61	3614.32	-11.89	13.65	-11.62	6.06	32.00
3649		18.55	5.87	3643.80	-2.35	14.65	-2.06	3.40	31.00
3680		19.96	5.52	3673.07	7.82	15.62	8.13	4.56	31.00
3712		21.54	4.82	3702.99	19.11	16.64	19.44	5.00	32.00
3743		23.13	4.20	3731.66	30.86	17.56	31.20	5.18	31.00
3775		24.62	3.50	3760.93	43.78	18.43	44.13	4.74	32.00
3807		26.03	1.74	3789.85	57.45	19.05	57.82	4.99	32.00
3839		27.44	1.21	3818.43	71.84	19.42	72.21	4.47	32.00
3870		28.75	0.69	3845.77	86.44	19.66	86.81	4.30	31.00
3902		30.16	0.34	3873.64	102.17	19.80	102.54	4.44	32.00
3934		31.83	359.02	3901.07	118.65	19.70	119.02	5.63	32.00
3966		33.68	358.31	3927.93	135.96	19.30	136.31	5.90	32.00
3997		35.70	359.19	3953.47	153.60	18.93	153.94	6.71	31.00
4029		37.20	358.93	3979.21	172.60	18.60	172.94	4.71	32.00
4061		40.01	359.81	4004.21	192.57	18.39	192.89	8.95	32.00
4093		42.21	0.42	4028.32	213.61	18.43	213.93	6.99	32.00
4125		44.41	1.13	4051.60	235.55	18.73	235.88	7.04	32.00
4157		46.78	1.30	4073.93	258.41	19.22	258.74	7.42	32.00
4159		49.42	2.27	4095.36	282.21	19.96	282.55	8.55	32.00
4220		51.79	2.36	4115.04	306.15	20.93	306.50	7.65	31.00
4252		54.34	2.09	4134.36	331.70	21.92	332.07	8.00	32.00
4284		56.63	2.09	4152.39	358.05	22.88	358.43	7.16	32.00
4316		59.41	2.44	4169.33	385.17	23.96	385.57	8.83	32.00
4348		61.91	2.71	4185.00	413.04	25.21	413.46	7.75	32.00
4380		64.81	2.97	4199.35	441.61	26.63	442.05	9.09	32.00
4412		67.36	3.15	4212.32	470.82	28.19	471.28	7.99	32.00
4444		69.82	3.32	4224.00	500.56	29.87	501.05	7.70	32.00
4475		73.16	3.23	4233.84	529.90	31.55	530.42	10.78	31.00
4507		76.06	2.71	4242.33	560.71	33.15	561.26	9.20	32.00
4539		79.58	2.36	4249.08	591.95	34.53	592.52	11.05	32.00
4571		82.04	2.36	4254.19	623.51	35.83	624.10	7.69	32.00
4603		84.59	2.36	4257.92	655.27	37.14	655.87	7.97	32.00
4635		86.61	1.83	4260.37	687.15	38.31	687.77	6.52	32.00
4667		88.46	1.48	4261.75	719.11	39.23	719.74	5.88	32.00
4699		90.57	2.18	4262.02	751.09	40.25	751.73	6.95	32.00
4731		91.98	2.80	4261.31	783.05	41.64	783.72	4.81	32.00
4763		92.42	2.53	4260.08	814.99	43.13	815.68	1.61	32.00
4795		91.36	1.65	4259.03	846.95	44.30	847.66	4.30	32.00
4827		90.13	1.13	4258.61	878.94	45.07	879.65	4.17	32.00

4859	90.92	1.21	4258.32	910.93	45.73	911.65	2.48	32.00
4896	92.15	1.39	4257.33	947.90	46.56	948.64	3.36	37.00
4926	92.42	1.21	4256.13	977.87	47.24	978.61	1.08	30.00
4958	92.77	1.04	4254.68	1009.83	47.87	1010.58	1.22	32.00
4989	93.39	1.13	4253.07	1040.60	48.37	1041.35	2.02	31.00
5021	93.83	1.04	4251.06	1072.53	48.97	1073.29	1.40	32.00
5083	90.22	358.49	4248.87	1134.48	48.72	1135.22	7.13	62.00
5147	91.28	358.67	4248.03	1198.45	47.13	1199.15	1.68	64.00
5211	90.22	357.08	4247.19	1262.40	44.76	1263.03	2.99	64.00
5274	91.54	357.35	4246.22	1325.31	41.70	1325.88	2.14	63.00