



OCD-ARTESIA

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
NM-1052111a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other  
b. Type of Completion: ☐ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,  
Other: \_\_\_\_\_6. If Indian, Allottee or Tribe Name  
N/A7. Unit or CA Agreement Name and No.  
N/A2. Name of Operator  
MURCHISON OIL & GAS, INC.8. Lease Name and Well No.  
PEQUENO MIKE BLU FEDERAL #2H3. Address 1100 MIRA VISTA BLVD.  
PLANO, TX 75093-46983a. Phone No. (include area code)  
972-931-07009. API Well No.  
30-015-37059

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface 1990' FSL &amp; 200' FWL, SEC. 2, T16S R29E, UNIT L

At top prod. interval reported below 2018' FSL &amp; 392' FEL, SEC. 3, T16S R29E, UNIT I

At total depth 2245' FSL &amp; 572' FWL, SEC. 3, T16S R29E, UNIT L

10. Field and Pool or Exploratory  
COUNTY LINE TANK; ABO11. Sec., T., R., M., on Block and  
Survey or Area SHL: SEC. 2, T16S R29E  
BHL: SEC. 3, T16S, R29E12. County or Parish  
EDDY13. State  
NM14. Date Spudded  
06/30/201015. Date T.D. Reached  
08/03/201016. Date Completed 08/29/2010  
☐ D & A ☒ Ready to Prod.17. Elevations (DF, RKB, RT, GL)\*  
3760' KB; 3739' GL18. Total Depth: MD 11,855'  
TVD 7,249'19. Plug Back T.D.: MD 10,017'  
TVD 7,195'20. Depth Bridge Plug Set: MD N/A  
TVD N/A

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

Hi-Res Laterolog Array Micro-CFL/GR &amp; Litho-Density Compensated Neutron/GR

22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run? ☒ No ☐ Yes (Submit report)  
Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
16-1/2"	13-3/8"/H40	48	SURF	435'	N/A	670 sxs CI C	171	SURF	
12-1/4"	9-5/8"/J55	36	SURF	2600'	N/A	1740 sxs CI H	546	SURF	
8-3/4"	7"/HCP110	26	SURF	6575'	N/A	1620 sxs CI C/H	445	SURF	
6-1/8"	4-1/2"/	11.6	6461'	10017'	N/A	Peak OH Com	N/A	N/A	
	HCP110								

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
N/A								

25. Producing Intervals

Formation	Top	Bottom	Perforation Record	Size	No. Holes	Perf. Status
A) WOLFCAMP	7543' MD	10017' MD	7543' - 10017' MD		7-Stage	Open
B)					System	
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
7543' - 10017' MD	Frac w/ 789,229 #30/50 Premium White sand plus 1,119 bbls 20% NEFE acid plus 20,385 bbls SilverStim LT-R(21) gel plus 1,214 bbls treated water (see attached detail by stage)

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/29/10	08/30/10	24	→	462	NM	2102	42.8	0.91	FLOWING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
2"	NA	85	→	462	NM	2102	NM	PRODUCING	

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ACCEPTED FOR RECORD

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

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CARLSBAD FIELD OFFICE

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status
			→					

28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status
			→					

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD - DCP MIDSTREAM

30. Summary of Porous Zones (Include Aquifers):	31. Formation (Log) Markers
Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.	

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WOLFCAMP DOLO PAY	7249 (Vert. Pilot)	7310 Hole Depths)	DOLOMITE; INTXLN POROSITY; OIL & GAS SHOW	YATES SEVEN RIVERS	1007 1224
				QUEEN GRAYBURG	1735 2149
				SAN ANDRES	2520
				GLORIETA	4016
				TUBB	5211
				ABO	6006
				WOLFCAMP	7249

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
- ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) A. Arnold Nall Title Vice President Operations  
 Signature [Signature] Date 09/09/2010

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.

**Pequeno Mike BLU Federal #2H**  
**Fracture Detail**

Stage	Top (ft)	Bottom (ft)	20% NEFE Acid (gal)	Treated Water (gal)	SilverStim Lt-R21 (gal)	30/50 Premium White Sand (lbs)	Load to Recover (gal)
1	9,289	9,924	7,572	5,165	72,714	23,393	2,173
2	8,873	9,289	7,500	7,107	127,145	121,215	3,467
3	8,608	8,873	4,541	10,181	131,417	124,530	3,479
4	8,349	8,608	5,004	6,761	129,324	132,115	3,359
5	8,124	8,349	5,030	7,428	128,674	133,518	3,420
6	7,856	8,124	7,421	9,289	134,964	129,111	3,499
7	7,543	7,856	9,949	5,038	131,925	125,347	3,760
<b>Total</b>			<b>47,017</b>	<b>50,969</b>	<b>856,163</b>	<b>789,229</b>	<b>23,157</b>

<b>Barrels</b>			1,119	1,214	20,385		551
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VIA CERTIFIED MAIL

September 9, 2010

State of New Mexico  
Oil Conservation Division – District II  
1301 W. Grand Avenue  
Artesia, NM 88210

**RE: PEQUENO MIKE BLU FEDERAL #2H  
API # 30-015-37059  
EDDY COUNTY, NM**

Ladies and Gentlemen:

Enclosed please find the following:

- 1) Form C-104 (original & 5 copies)
- 2) Three Detector Litho-Density Compensated Neutron/GR
- 3) Hi-Res Laterolog Array MicroCFL/GR
- 4) Amended Form C-102
- 5) Directional Survey

**We hereby request that the enclosed logs and directional survey be kept confidential until 11/28/10 (90 days from the completion date of 8/29/10).** If you have any questions please contact me at 972-931-0700 ext. 109.

Very truly yours,

**MURCHISON OIL & GAS, INC.**

Cindy Cottrell  
Regulatory Coordinator

Enclosures

Certified Article Number

7160 3820 3530 0924 0920

SENDERS RECORD

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SEP 13 2010

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