

N.M. Oil Cons. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM0558263A
2. Name of Operator MURCHISON OIL & GAS, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1100 MIRA VISTA BLVD., PLANO, TX. 75093-4698		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 972-931-0700		8. Well Name and No. LINCOLN FED COM #2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1250' FSL & 1250' FEL SEC. 24, T18S, R24E		9. API Well No. 30-015-33956
		10. Field and Pool, or Exploratory Area PENASCO DRAW MORROW GA
		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		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <b>SPUD WELL -</b>
			<b>RUN 13-3/8" CSG</b>

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 recomplate 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/BIA. 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.)

SPUD WELL @ 1300 HRS. 4/28/05. DRILL 17-1/2" HOLE TO A DEPTH OF 379'. RUN 13-3/8" CASING AS FOLLOWS:

1	TEXAS PATTERN GUIDE SHOE	1'
1 JT	13-3/8" 68 #/FT J-55 BTC	43'
1	FLOAT VALVE COLLAR	1'
8 JTS	13-3/8" 68 #/FT J-55 BTC	343'
		388'

SET CASING AT 379'. CEMENT W/ 425 SXS CLASS "C" + 2% CaCl + 1/4 # CELLOFLAKE. BUMP PLUG W/ 483 PSI. FLOAT DID NOT HOLD. HELD 250 PSI ON CASING. CIRCULATED 50 SXS TO RESERVE PIT. WOC 5 HRS. CUT OFF 13-3/8" INSTALL WELLHEAD AND TEST TO 500 PSI. NU BOP. TEST BOP TO 3000 PSI. TESTED OK. TEST HYDRILL TO 1500 PSI. TESTED OK. WOC 38 HRS PRIOR TO DRILL OUT. TIH W/ DRILL PIPE AND TEST CASING TO 600 PSI FOR 30 MIN., HELD OK. DRILL OUT CEMENT AND RESUME DRILLING. OPEN HOLE W/ 12-1/4" BIT.

NOTE: CONTACTED BLM PRIOR TO SPUD. BLM WITNESSED SURFACE CASING RUNNING AND CEMENTING (MR. CLARK)

BLM NOTIFIED OF BOP TESTING

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) MICHAEL S. DAUGHERTY		Title VICE PRESIDENT OPERATIONS
Signature <i>Michael S. Daugherty</i>	Date 05/10/2005	ACCEPTED FOR RECORD MAY 17 2005 ALEXIS C. SWOBODA PITROLEUM ENGINEER
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	
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.		