

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

NM OIL CONSERVATION
ARTESIA DISTRICT
MAR 02 2018
AMENDED REPORT
RECEIVED

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

1. Operator Name and Address Murchison Oil & Gas, Inc. 7250 Dallas Parkway, Ste. 1400, Plano, TX 75024		2. OGRID Number 15363	
4. Property Code 34019		3. API Number 30-015-33436	
5. Property Name Panda Bear State Com		Well No.	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	2	17-S	28-E	H	1280	NORTH	1123	WEST	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name ANDERSON; WOLFCAMP, NORTH	Pool Code 97183
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Additional Well Information

11. Work Type A	12. Well Type O	13. Cable/Rotary	14. Lease Type S	15. Ground Level Elevation 3678
16. Multiple	17. Proposed Depth 9,930 PB; 10,325 TD	18. Formation Abo/Wolfcamp	19. Contractor	20. Spud Date 11/07/2004
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

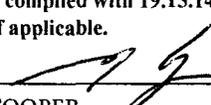
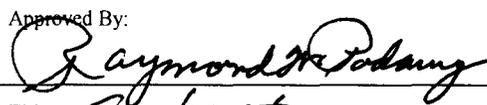
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
SURF	17.5	13.375	68	308	440	0
INT	12.25	9.625	40	2150	1750	0
PROD	8.5	5.5	17	10325	1105	5516

Casing/Cement Program: Additional Comments

EXISTING CASING & CEMENT SHOWN; NO ADDITIONAL FOOTAGE WILL BE DRILLED. RECOMPLETION PROCEDURE ATTACHED.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature:  Printed name: GARY R. COOPER Title: VICE PRESIDENT OPERATIONS E-mail Address: rcooper@jdmii.com Date: 02/28/2018 Phone: 972-931-0700	OIL CONSERVATION DIVISION	
	Approved By: 	
	Title: Geologist.	
	Approved Date: 3-13-18	Expiration Date: 3-13-20
	Conditions of Approval Attached	

Comingle Abo-WFMB

Office
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 87505

STATE OF NEW MEXICO
 Energy, Minerals and Natural Resources

FORM C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-33436
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Panda Bear State Com
8. Well Number 1
9. OGRID Number 15363
10. Pool name or Wildcat Anderson; Wolfcamp, North
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3678' GL

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.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Murchison Oil & Gas, Inc.

3. Address of Operator
7250 Dallas Parkway, Ste. 1400, Plano, TX 75024

4. Well Location
 Unit Letter D : 1280 feet from the N line and 1123 feet from the W line
 Section 2 Township 17S Range 28E NMPM County Eddy

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Abandon Existing Zone and Add Perforations <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Murchison Oil & Gas respectfully requests permission to abandon the existing Morrow perforations and add perforations to the wellbore in the Abo and Wolfcamp as described in the attached.

**NM OIL CONSERVATION
 ARTESIA DISTRICT**

MAR 13 2018

RECEIVED

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cindy Cottrell TITLE Regulatory Coordinator DATE March 13, 2018

Type or print name Cindy Cottrell E-mail address: ccottrell@jdmii.com PHONE: 972-931-0700
For State Use Only

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

District I
1625 N French Dr. Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources

ARTESIA DISTRICT
Submit to Appropriate District Office

District II
811 South First, Artesia, NM 88210

Revised March 17, 1999
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec NM 87410

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, N M 87505

RECEIVED
X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33436	Pool Code 97183	Pool Name ANDERSON; WOLFCAMP, NORTH
Property Code 34019	Property Name PANDA BEAR STATE COM	Well Number 1
OGRID No. 15363	Operation Name MURCHISON OIL & GAS, INC.	Elevation 3678

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County
LOT 4	2	17-S	28-E		1280	NORTH	1123	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres 39.22	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DMISION

	<p>OPERATOR CERTIFICATION</p> <p>I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p>
	<p>Signature </p>
	<p>Printed Name Gary R Cooper</p>
	<p>Title Vice President Operations</p>
	<p>Date 2/28/2018</p>
	<p>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 KNOWLEDGE AND BELIEF.</p>
	<p>Date of Survey AUGUST 24, 2004</p>
	<p>Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number NM PE 5412</p>

MURCHISON OIL & GAS INC.

Panda Bear State Com #1

1280 FNL, 1123 FWL

Sec 2 T17S, R28E

Eddy County, NM

Recompletion Procedure

The subject well is completed in the Morrow and is currently uneconomical to produce. The existing perfs will be abandoned and the well will be recompleted with the Wolfcamp and Abo commingled.

Casing:

Surface – 13 3/8", 68#, K55 @ 308' w/ cmt circ
Intermediate - 9 5/8", 40#, N80 @ 2,150' w/ cmt circ
Production - 5 1/2", 17#, N80 & P110 @ 10325' w/ TOC @ 5516' CBL

Tubing:

2 7/8", 6.4#, L80 EUE Mod w/ Arrow Set 1 packer set at 9822'

Existing perfs:

Morrow – 10028'-10000'

Proposed perfs:

Wolfcamp – 7480'-7510'; Abo – 6780'-6860', 6890'-6910'

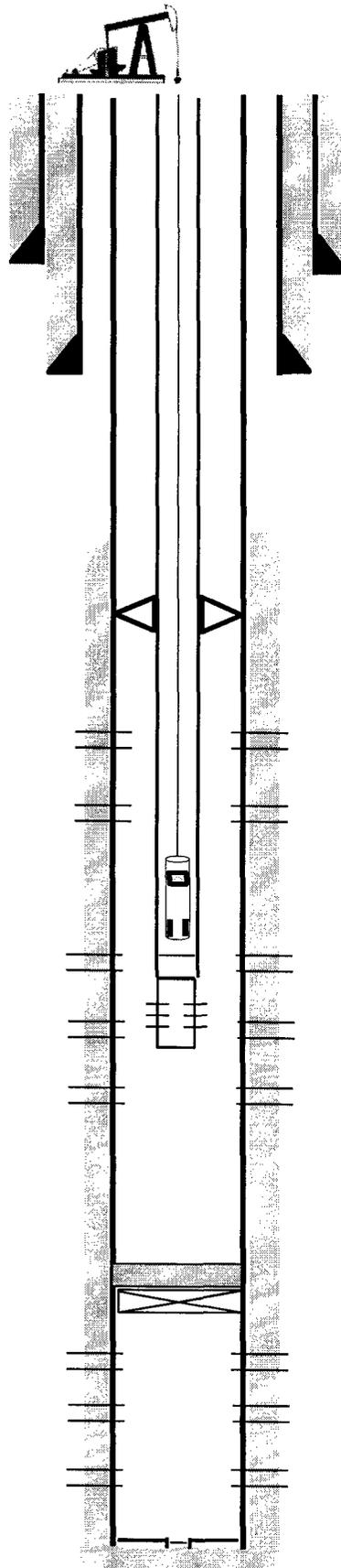
PROCEDURE:

1. Notify OCD of activities.
2. MIRU service rig.
3. TOH with tubing and packer.
4. RU wireline and set 10m CIBP at 9950'. And dump bail 20' cement on plug.
5. Perforate Wolfcamp 7480-7510 w/4spf.
6. Trip in hole w/ packer and set at 7400'
7. Frac Wolfcamp with 150,000# 20/40 sand.
8. Set CBP at 6950'.
9. Perforate Abo 6780'-6860', 6890'-6910' w/ 2spf.
10. Trip in hole w/ packer and set at 6700'
11. Acidize Abo and ball out w/ bio balls. Shut down frac and wait for degradation of bio balls.
12. Frac Abo with 400,000# 20/40 sand.
13. Drill out CBP and clean out wellbore.
14. TIH with pumping assy, swab well to evaluate
15. Run pump and rods and return well to production.

PROPOSED WELLBORE DIAGRAM

Panda Bear State Com 1

30-015-33436



TAC: 6600'

Abo Formation

6,860'-6,780' 80' w/ 2spf 160 holes

6,910'-6,890' 20' w/ 2spf 40 holes

Wolfcamp Formation

SN: 7400'

7,510'-7,480' 30' w/ 4spf 120 holes

CIBP@ 9,950' w/ 20 ft cmt on top

Morrow Formation