

**DISTRICT II**  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**DISTRICT IV**  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37901	Pool Code	Pool Name HIGHTOWER DEVONIAN
Property Code 35627	Property Name HIGHTOWER STATE UNIT	Well Number 1
OGRID No. 015363	Operator Name MURCHISON OIL AND GAS, INC.	Elevation 4245'

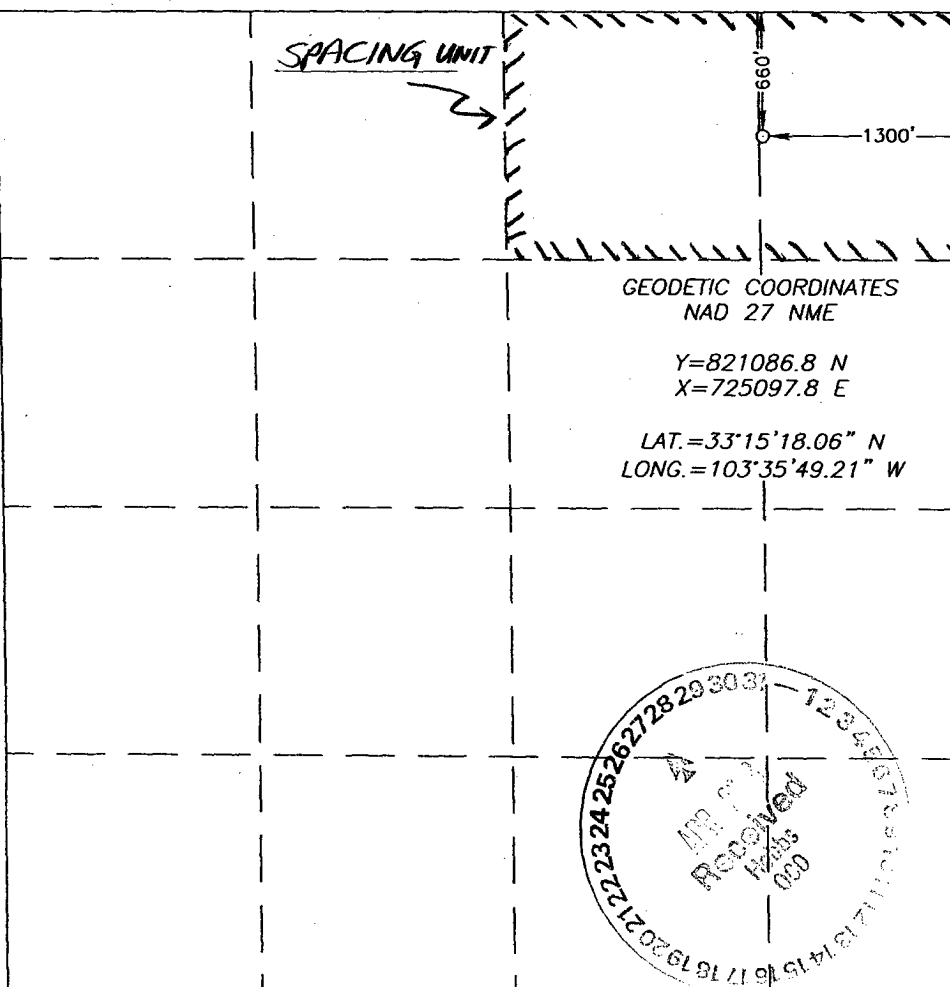
### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	12-S	33-E		660	NORTH	1300	EAST	LEA

## 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	Joint or Infill	Consolidation Code	Order No.						
80									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

 <p style="text-align: center;"> <b>GEODETIC COORDINATES</b>  <b>NAD 27 NME</b>   Y=821086.8 N  X=725097.8 E   LAT.=33°15'18.06" N  LONG.=103°35'49.21" W </p>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center; margin: 0;"><b>OPERATOR CERTIFICATION</b></p> <p style="font-size: small; margin: 5px 0;">I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p style="margin: 5px 0;"> <span style="float: right;">4/26/06</span> </p> <p style="margin: 5px 0;"> Signature <span style="float: right;">Date</span> </p> <p style="margin: 5px 0;"> <b>MICHAEL S. DAUGHERTY</b>  Printed Name </p> </div> <div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center; margin: 0;"><b>SURVEYOR CERTIFICATION</b></p> <p style="font-size: small; margin: 5px 0;">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 belief.</p> <p style="text-align: center; margin: 10px 0;">APRIL 18, 2006</p> <p style="margin: 5px 0;"> Date Surveyed <span style="float: right;">MR</span> </p> <p style="margin: 5px 0;"> Signature &amp; Seal of  </p> <p style="margin: 5px 0;"> Professional Surveyor <span style="float: right;">4/25/06</span> </p> <p style="margin: 5px 0;"> 06.11.0580 </p> <p style="margin: 5px 0;"> Certificate No. <b>GARY EDSON</b> <span style="float: right;">12641</span> </p> </div>
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DISTRICT I  
1625 N. FRANCE DR., HOBBS, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
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1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

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Property Code	Property Name HIGHTOWER STATE UNIT	Well Number 1
OGRID No. 015363	Operator Name MURCHISON OIL AND GAS, INC.	Elevation 4245'

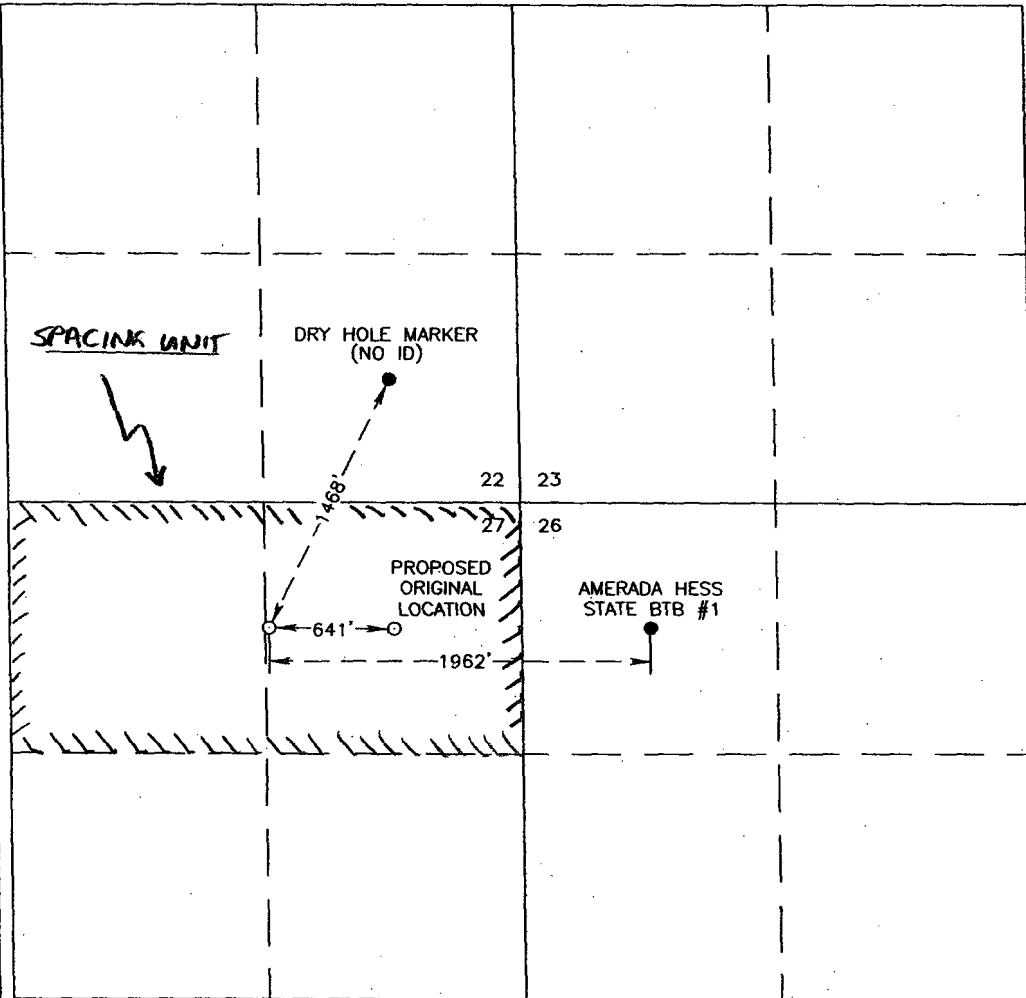
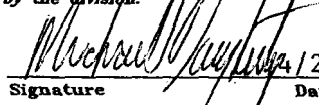
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UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	12-S	33-E		660	NORTH	1300	EAST	LEA

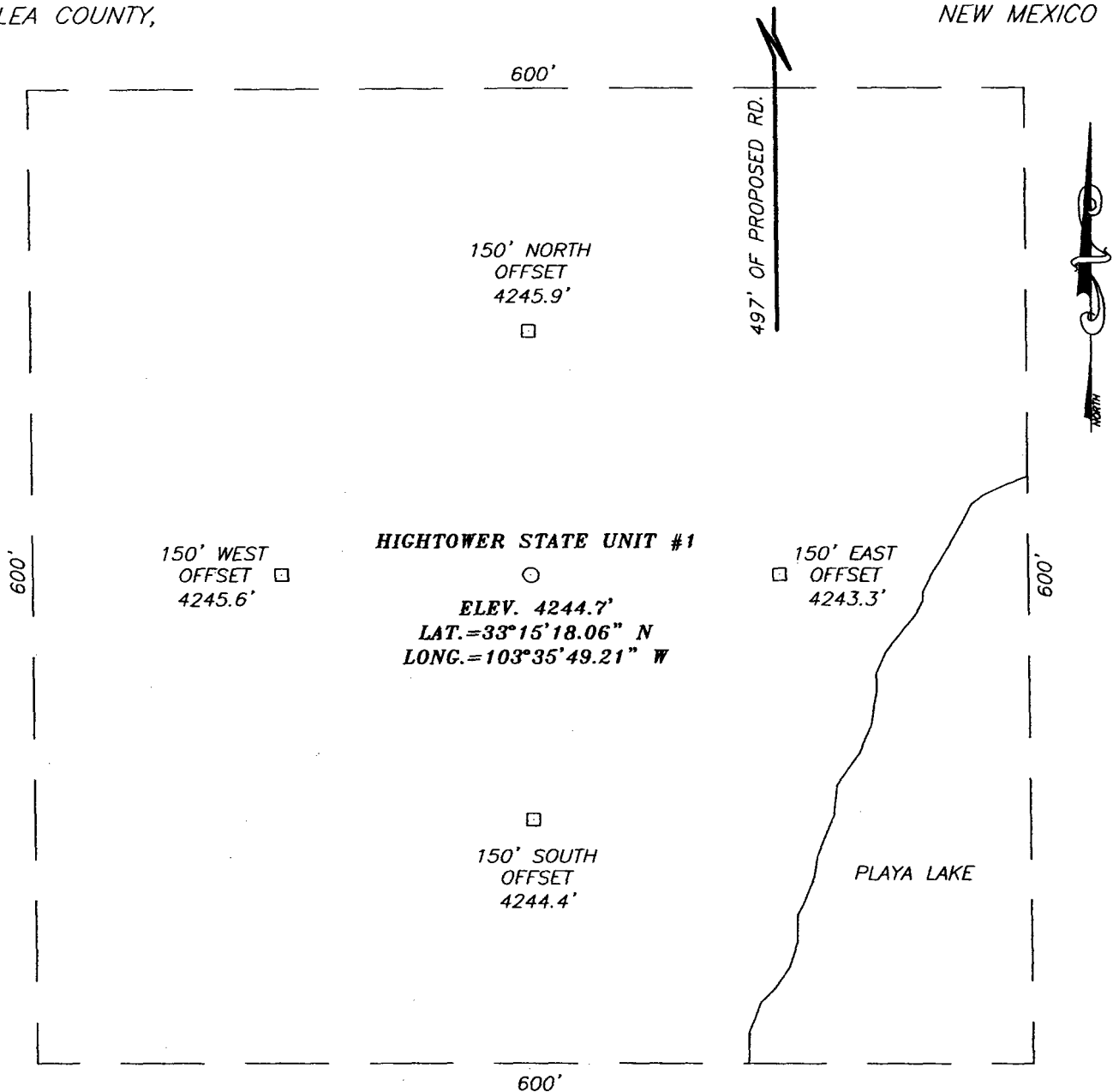
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 80		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

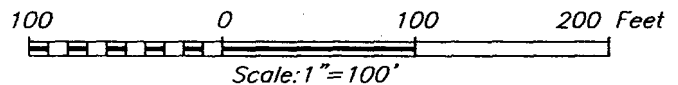
				<b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature _____ Date 4/26/06 MICHAEL S. DAUGHERTY Printed Name _____
				<b>SURVEYOR CERTIFICATION</b> <i>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 belief.</i>  APRIL 18, 2006 Date Surveyed _____ MR Signature & Seal of Professional Surveyor  06.11.0580 Certificate No. GARY EIDSON 12641

**SECTION 27, TOWNSHIP 12 SOUTH, RANGE 33 EAST, N.M.P.M.,**  
LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF U.S. HWY. #380 AND ST. HWY. #457, GO SOUTH ON ST. HWY. #457 APPROX. 7.4 MILES. TURN LEFT AND GO EAST APPROX. 0.7 MILES TO A BEGIN ROAD SURVEY. FOLLOW ROAD SURVEY SOUTH FOR APPROX. 500 FEET TO END SURVEY. THIS LOCATION IS APPROX. 212 FEET SOUTHWEST.



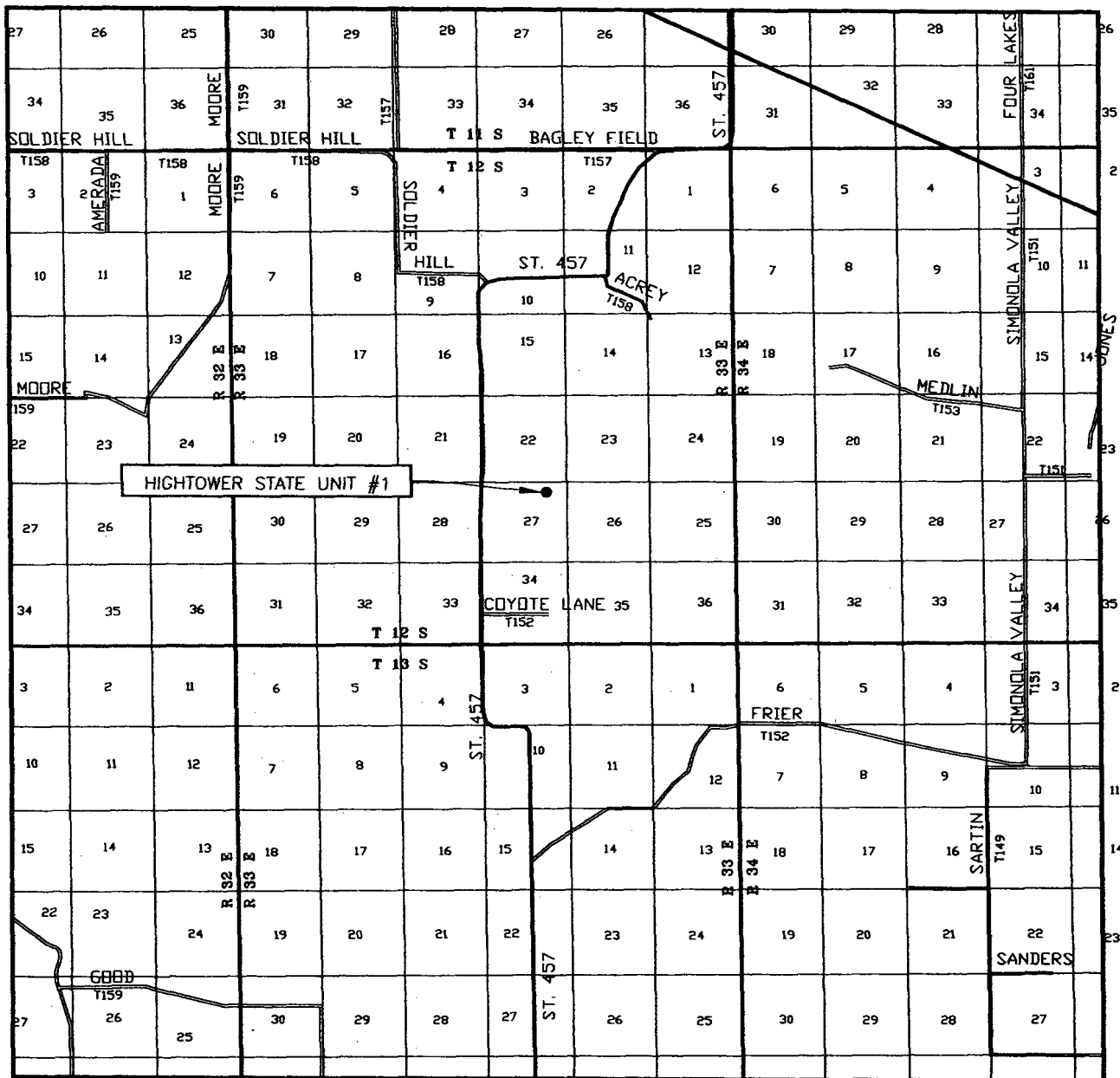
**MURCHISON OIL AND GAS, INC.**

HIGHTOWER STATE UNIT #1  
LOCATED 660 FEET FROM THE NORTH LINE  
AND 1300 FEET FROM THE EAST LINE OF SECTION 27,  
TOWNSHIP 12 SOUTH, RANGE 33 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 04/18/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0580	Dr By: M.R.
Date: 04/21/06	Disk: CD#6
06110580	Scale: 1"=100'

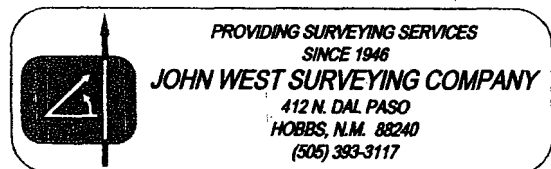
PROVIDING SURVEYING SERVICES  
SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117

# VICINITY MAP

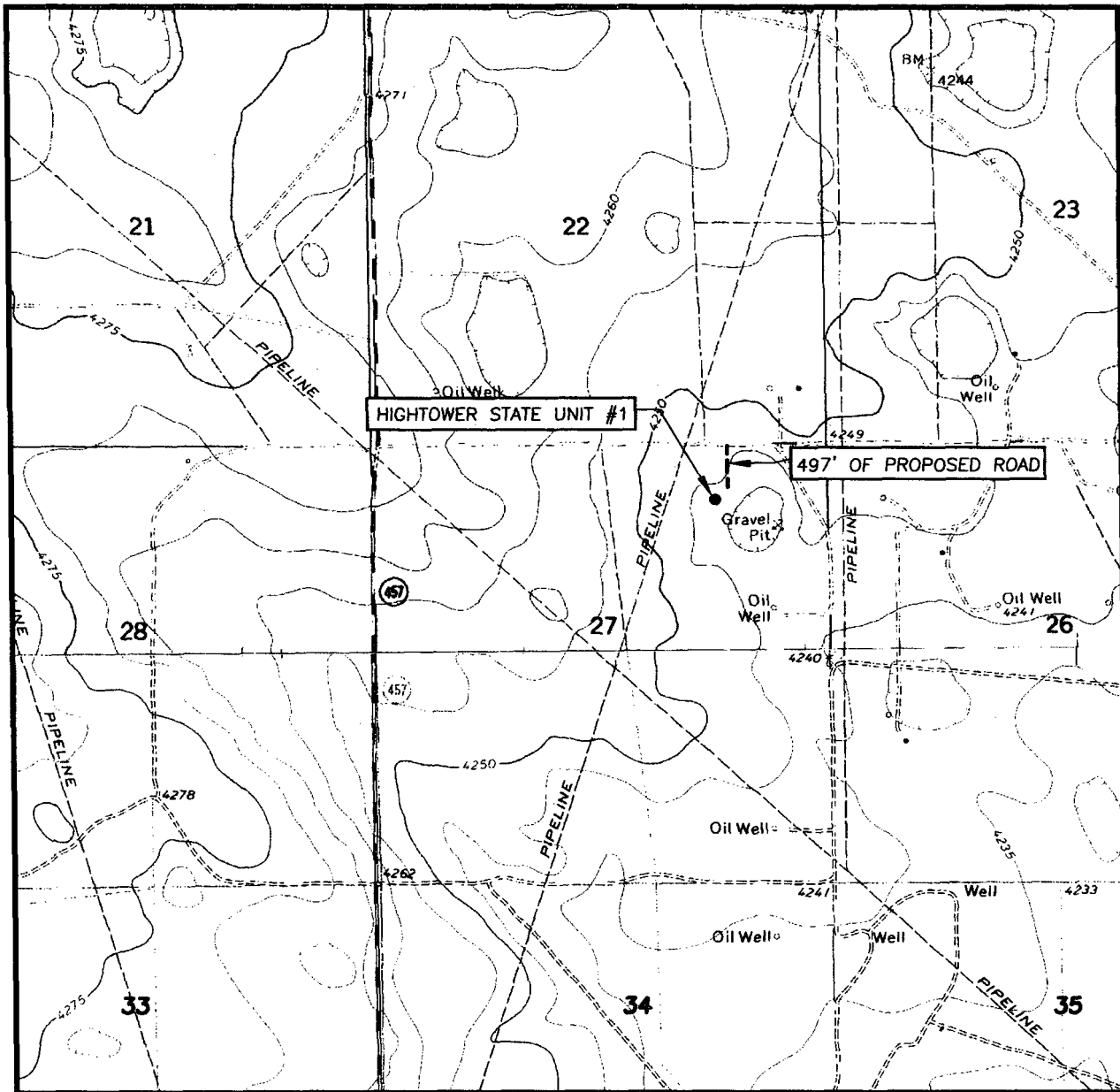


SCALE: 1" = 2 MILES

SEC. 27 TWP. 12-S RGE. 33-E  
 SURVEY N.M.P.M.  
 COUNTY LEA STATE NEW MEXICO  
 DESCRIPTION 660' FNL & 1300' FEL  
 ELEVATION 4245'  
 OPERATOR MURCHISON OIL AND GAS, INC.  
 LEASE HIGHTOWER STATE UNIT



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
DALLAS STORE, N.M. - 5'  
FRIER RANCH, N.M. - 5'

SEC. 27 TWP. 12-S RGE. 33-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY LEA STATE NEW MEXICO

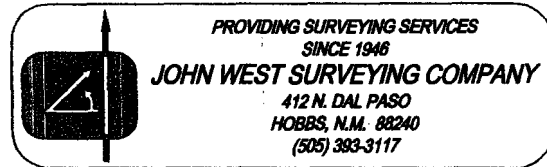
DESCRIPTION 660' FNL & 1300' FEL

ELEVATION 4245'

OPERATOR MURCHISON OIL AND GAS, INC.

LEASE HIGHTOWER STATE UNIT

U.S.G.S. TOPOGRAPHIC MAP  
DALLAS STORE, N.M.



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, 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

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>MURCHISON OIL &amp; GAS, INC.</u> Telephone: <u>(972) 931-0700</u> e-mail address: <u>mdaugherty@jdmii.com</u>		
Address: <u>1100 MIRA VISTA BLVD., PLANO, TX. 75093-4698</u>		
Facility or well name: <u>HIGHTOWER ST #1</u>	API #: <u>30-025-3701</u>	U/L or Qtr/Qtr <u>A</u> Sec <u>27</u> T <u>12S</u> R <u>33E</u>
County: <u>LEA</u>	Latitude _____	Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>15000</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>&gt; 90</u>	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet	(10 points) 10
	100 feet or more X	( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)
	No >1000'	( 0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	( 0 points) 0
<b>Ranking Score (Total Points)</b>		10

**If this is a pit closure:** (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: ☒ check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

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

Date: 4/26/2006

Printed Name/Title MICHAEL S. DAUGHERTY, VICE PRESIDENT OPERATIONS Signature Michael S. Daugherty

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: JUN 05 2006

PETROLEUM ENGINEER

**MURCHISON OIL & GAS, INC.**

**HIGHTOWER ST #1  
SEC. 27, T12S, R33E  
660' FNL & 1300' FEL  
LEA CO., NM.**

**MUD PROGRAM**

<b><u>DEPTH</u></b>	<b><u>WEIGHT</u></b>	<b><u>VISCOSITY</u></b>	<b><u>FILTRATE</u></b>	<b><u>OIL</u></b>
0 – 350'	8.4 – 8.6	32 - 34	NO CONTROL	
350 – 1585'	8.4 – 8.6	32 - 34	NO CONTROL	
1585 – 3800'	10.0 – 10.4	32 - 34	NO CONTROL	4 – 6%
3800 – 7200	9.4 – 9.6	26 - 28	NO CONTROL	
7200 - 10600	9.6 – 10.0	36 - 40	25 - 30	

PH to be maintained at 10 or above



April 26, 2006

Mr. Paul Kautz  
State of New Mexico  
Oil Conservation Commission-Dist I  
1625 N. French Dr.  
Hobbs, New Mexico 88240

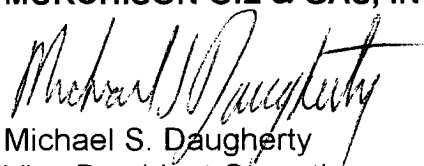
**RE: HIGHTOWER ST #1  
660' FNL & 1300' FEL  
SEC. 27, T12S, R33E  
LEA CO., NM.**

Dear Mr. Kautz:

I am writing to request a waiver for the inclusion of an H2S Contingency Plan for the Hightower St #1. The current plan is to complete this well in the Devonian, which is sweet, and I do not anticipate encountering any H2S bearing formations during drilling operations.

Very truly yours,

**MURCHISON OIL & GAS, INC.**

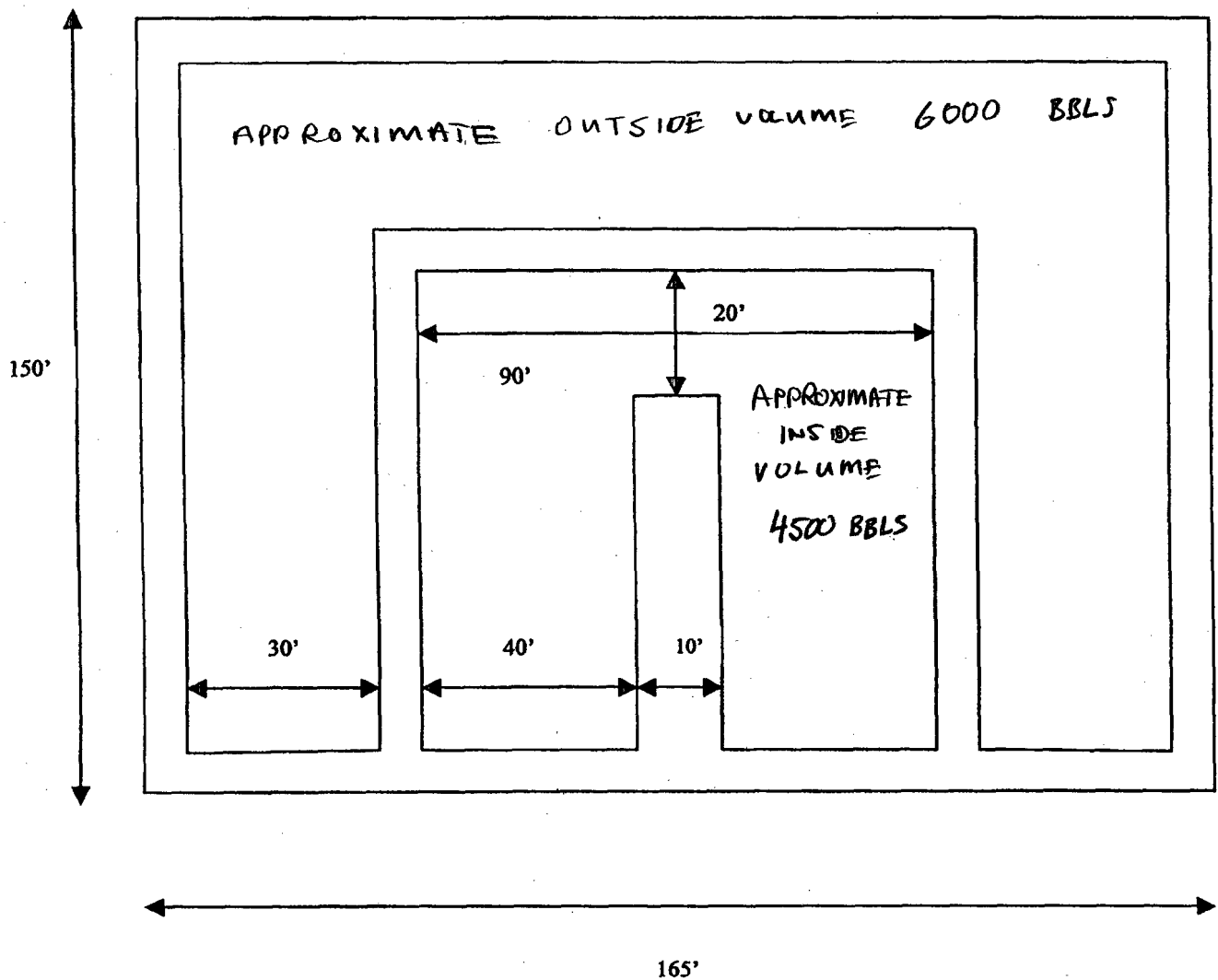


Michael S. Daugherty  
Vice President Operations

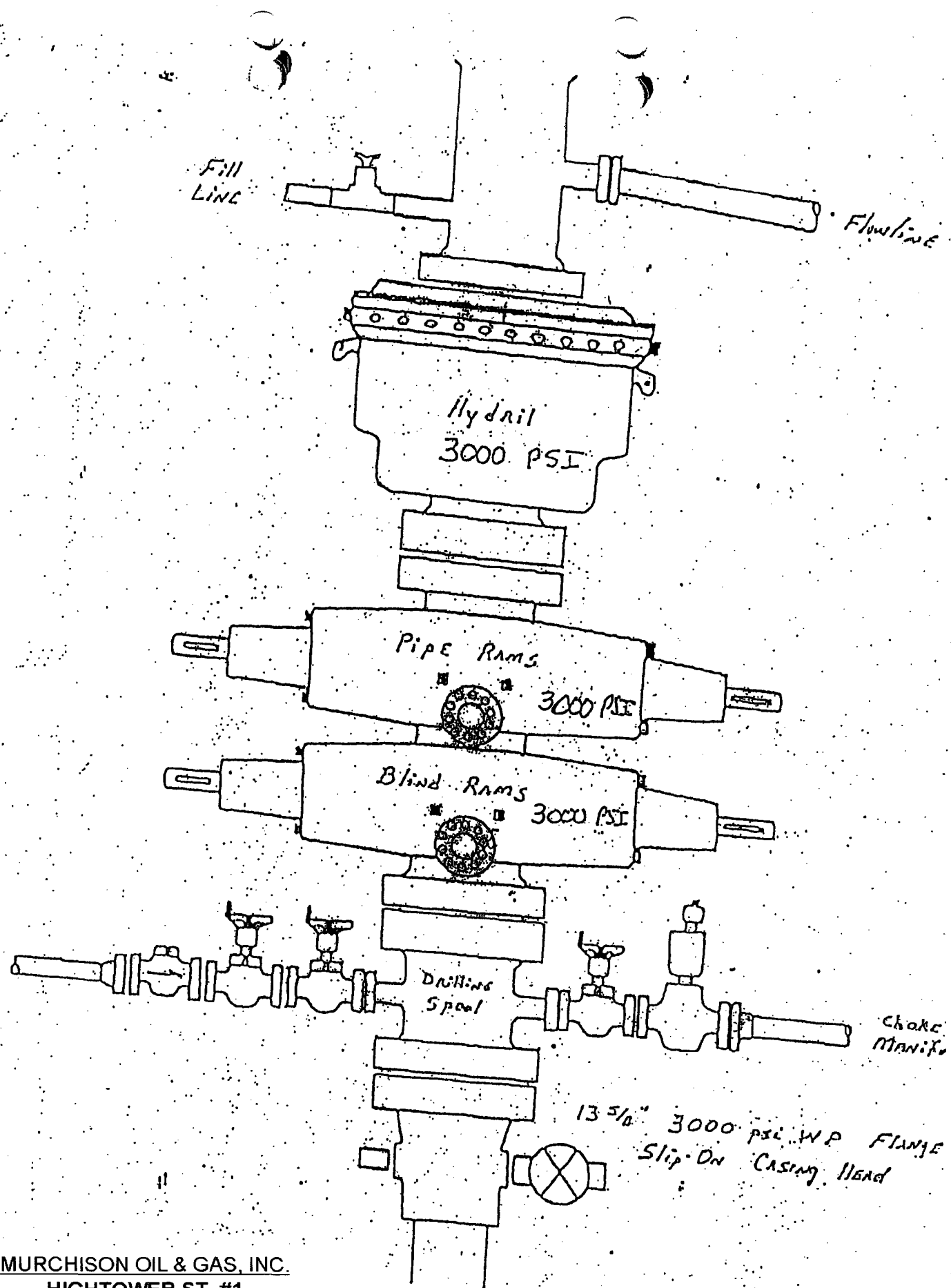
MSD/ct/HightowerSt#1-OCDH2S



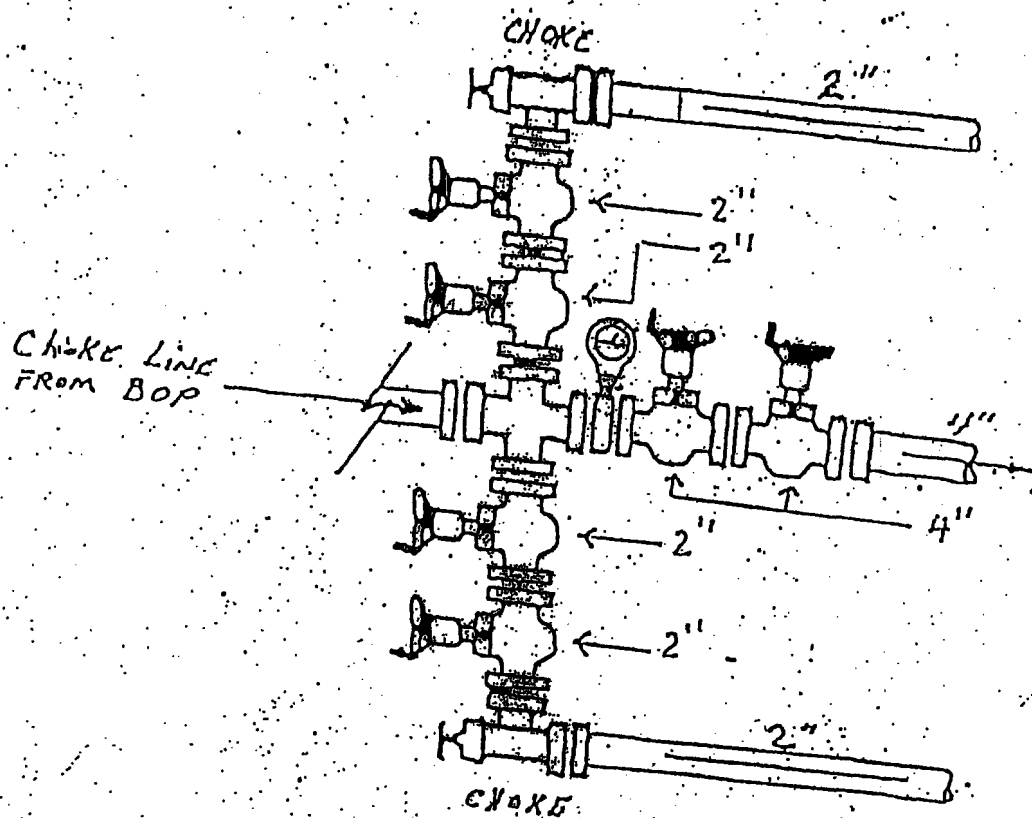
## RESERVE PIT DESIGN



MURCHISON OIL & GAS, INC.  
HIGHTOWER ST. #1  
660' FNL & 1300' FEL  
SEC. 27, T12S, R33E  
LEA CO., NM.



MURCHISON OIL & GAS, INC.  
 HIGHTOWER ST. #1  
 660' FNL & 1300' FEL  
 SEC. 27, T12S, R33E  
 LEA CO., NM.



MURCHISON OIL & GAS, INC.  
 HIGHTOWER ST. #1  
 660' FNL & 1300' FEL  
 SEC. 27, T12S, R33E  
 LEA CO., NM.