

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO. 30-025-37901
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-7612
7. Lease Name or Unit Agreement Name HIGHTOWER STATE UNIT
8. Well Number 1
9. OGRID Number 015363
10. Pool name or Wildcat HIGHTOWER DEVONIAN

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator MURCHISON OIL & GAS, INC.	
3. Address of Operator 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698	
4. Well Location Unit Letter <u>A</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>1300</u> feet from the <u>EAST</u> line Section <u>27</u> Township <u>12-S</u> Range <u>33-E</u> NMPM County <u>LEA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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 checked="" type="checkbox"/>	
OTHER: <input 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drilled a 12-1/4" hole to a depth of 3830'. Ran 9-5/8" casing as follows:

1	Float Shoe	1'
1 Jt	9-5/8" 53.5 #/FT T-95 LT&C	40'
1	Float Collar	1'
90 Jts	9-5/8" 53.5 #/FT T-95 LT&C	3788'
		3830'

Set casing @ 3830'. Cemented w/ 970 SXS 50/50 POZ Class "C" + 5.89% D44 + 10% D20 + .125 PPS D130 followed by 200 SXS Class "C" + 1% S1 + .25 PPS D29. Bumped plug w/ 1428 PSI. Floats held. Circulate 140 SXS to reserve pit. WOC 8 Hrs. Cut 9-5/8" casing and install "B" section. Test to 3000 PSI for 30 minutes. OK. NU BOP. Test to 5000 PSI. Held OK. Test Hydrill to 3000 PSI. WOC total 24 Hrs. Drill out float collar and test casing to 1000 PSI for 30 minutes. Tested OK. Drill out shoe and new formation w/ 8-1/2" bit.

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

SIGNATURE Michael S. Daugherty TITLE VICE PRESIDENT OPERATIONS DATE 7/11/2006

Type or print name MICHAEL S. DAUGHERTY E-mail address: mdaugherty@jdmii.com Telephone No. (972) 931-0700

For State Use Only

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of Approval (if any): \_\_\_\_\_

PETROLEUM ENGINEER

JUL 21 2006