

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 (35627)
8. Well Number 1
9. OGRID Number 015363
10. Pool name or Wildcat HIGHTOWER PERMO PENNSYLVANIAN (31350)

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: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: ADD PERFORATIONS <input checked="" type="checkbox"/>
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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.

Set RBP @ 8552'. Perforated from 8470' to 8478'. Ran 256 jts. of 2-7/8" tbg @ 8390'. Acidized w/ 1500 gal. Tested Upper Wolfcamp @ 55 MCFD w/ 80 PSI FTP, 0 Water and 0 Oil. Retrieve RBP @ 8552'. RIH w/ coil tbg and drilled thru composite plug @ 9930'. The Upper Wolfcamp, Lower Wolfcamp and Atoka zones which are all part of Permo Penn group have been commingled and have been returned to production. Test well @ 12 BOPD and 512 MCFD w/ 80 PSI FTP. Selling production.

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 5/17/2007

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

APPROVED BY: Chris Williams TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUL 09 2007
Conditions of Approval (if any):