

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

**RECEIVED**  
**DEC 03 2009**  
**HOBBS**  
CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-39248 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator MURCHISON OIL & GAS, INC. ✓		6. State Oil & Gas Lease No.
3. Address of Operator 1100 MIRA VISTA BLVD. PLANO, TX. 75093-4698		7. Lease Name or Unit Agreement Name  CAPROCK FEE ✓
4. Well Location Unit Letter <u>M</u> : <u>990</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>WEST</u> line/ Section <u>26</u> Township <u>12S</u> Range <u>33E</u> NMPM County <u>LEA</u>		8. Well Number <u>1</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>015363</u> ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat HIGHTOWER, PERMO PENN ✓
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.

Drill a 8-3/4" hole to a total depth of 9680'. Ran 5-1/2" casing as follows:

1	Float Shoe	2'
2 Jt.	5-1/2" 20#/FT LSP-110 LT&C	88'
1	Float Collar	1'
1 Jt.	5-1/2" 20#/FT LSP-110 LT&C	46'
	XO LTC/SJ3	1'
25 Jts.	5-1/2" 20#/FT P-110 SJ3	1118'
	XO SJ3/LTC	1'
	DV Tool	2'
	XO LTC/SJ3	1'
184 Jts.	5-1/2" 20#/FT P-110 SJ3	7945'
	XO SJ3/LTC	1'
11 Jts.	5-1/2" 20#/FT P-110 LT&C	486'
		9692'

Set 5-1/2" casing @ 9,680'. Cement 1<sup>st</sup> stage w/ 310 SXS Versacem. Cement 2<sup>nd</sup> stage lead w/ 840 SXS Econocem - tail with 170 SXS Premium Cls C. Bump plug, floats held. Did not circulate any cement to surface. ND BOP, set slip, cut csg, install WH and test to 5000 PSI. Held OK. Release rig @ 12:00 pm (Texas time) 10/1/2009.

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 NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE A. Arnold Nall TITLE Vice President Operations DATE 11/11/2009

Type or print name A. Arnold Nall E-mail address: arnall@jdmii.com Telephone No. (972) 931-0700

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APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE DEC 08 2009  
Conditions of Approval (if any):