

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

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DEC 23 2010  
HOBBSSOCD

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

|   |
|---|
| WELL API NO.<br>30-025-39248  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>CAPROCK FEE   |
| 8. Well Number 1  |
| 9. OGRID Number 015363  |
| 10. Pool name or Wildcat<br>HIGHTOWER; PERMO PENN   |

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|--|--|
| <p>SUNDRY NOTICES AND REPORTS ON WELLS<br/>(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.)</p> |  |
| <p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>  |  |
| <p>2. Name of Operator MURCHISON OIL &amp; GAS, INC.</p>   |  |
| <p>3. Address of Operator 1100 MIRA VISTA BLVD.<br/>PLANO, TX 75093-4698</p>   |  |
| <p>4. Well Location<br/>Unit Letter M : 990 feet from the SOUTH line and 660 feet from the WEST line<br/>Section 26 Township 12S Range 33E NMPM County LEA</p>   |  |
| <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br/>4,238' GL</p>  |  |

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ADDITIONAL PERFORATIONS ☒

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.

Added perforations to currently producing Upper Pennsylvanian/Cisco formation from 8,994'-9,004', 9,111'-9,118' & 9,146'-9,157' (details attached).

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 A. Arnold TITLE VICE PRESIDENT OPERATIONS DATE 12/17/2010

Type or print name A. ARNOLD NALL E-mail address:  PHONE: 972-931-0700

For State Use Only

APPROVED BY: E. Sanchez TITLE STATE MGR DATE 12-27-10

Conditions of Approval (if any):

**Caprock Fee#1 Workover**  
**API#30-025-39248**

**10/18/10** POOH w/rods & pump. ND WH and NU 3K BOP, release anchor & POOH w/tbg.

**10/19/10** TIH w/ 5-1/2" x 2-7/8" packer & RBP w/ball catcher. Set RBP at 9,339' w/285 jts of 2-7/8" L-80 8rd tbg. Released off RBP circ hole clean w/240 bbls fresh water. Set packer at 9,320', tested RBP to 3,500 psi, test csg to 1000 psi – held OK. POOH w/tbg & pkr.

**10/20/10** RU WL & perf 9,111' – 9,118' & 9146' – 9157'. TIH w/pkr, SN & 276 jts L-80 eue 8rd tbg & set pkr at 9,043'.

**10/21/10** Swabbing

**10/22/10** Acidize w/3,500 gals 15% HCL NEFE & dropped 108 1.3 RCN ball sealers; 80 bbls swabbed & 15 bbls flowed back.

**10/25/10 – 10/29/10** Swabbing

**11/1/10** Released pkr & RBP. POOH w/tbg & tools. RU WL & set RBP 9,052'.

**11/2/10** TIH w/pkr, SN & 2-7/8" tbg & set pkr at 9,004'. Tested RBP to 3,500 psi – OK. POOH w/pkr & tbg. RU WL & perf 8,994' – 9,050'. Tested RBP to 3,500 psi – OK. POOH w/tbg & pkr. RU WL & perf 8,994' – 9,004'. TIH w/pkr, SN & 270 jts 2-7/8" tbg. Set pkr at 8,880'.

**11/3/10** Acidize w/2,000 gals 15% HCL NEFE & dropped 66 1.3 RCN ball sealers. Recovered 135 bbls fluid.

**11/5/10** Released pkr & RBP. TIH w/tbg. ND BOP. Set TAC. NU wellhead. TIH w/7,200' of rods.

**11/8/10** Seated pump & put well back on production at 1230 hrs.



**J.D. MURCHISON INTERESTS, INC.**

MURCHISON OIL & GAS, INC.

MURCHISON PROPERTIES, INC.

VIA CERTIFIED MAIL

December 20, 2010  
State of New Mexico  
Oil Conservation Division  
District I  
1625 N. French Dr.  
Hobbs, New Mexico 88240-9273

RECEIVED  
DEC 23 2010  
HOBBSOC

Certified Article Number

7196 9008 9040 0022 6388

SENDERS RECORD

**RE: Caprock Fee #1  
API # 30-025-39248  
Lea County, NM**

Ladies and Gentlemen:

Enclosed please find the following:

- Form C-103 – Recompletion (original + 3 copies)

If you have any questions please give us a call.

Very truly yours,

**MURCHISON OIL & GAS, INC.**

Cindy Cottrell  
Regulatory Coordinator

Enclosures