

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
SHL:V-4949; BHL:NMNM 105211

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well  
 Oil Well     Gas Well     Other

7. If Unit of CA/Agreement, Name and/or No.  
N/A

2. Name of Operator  
Murchison Oil & Gas, Inc.

8. Well Name and No.  
Pequeno Mike Blu Federal #4

3a. Address  
1100 Mira Vista Blvd  
Plano, TX 75093-4698

3b. Phone No (include area code)  
972-931-0700

9 API Well No.  
30-015-38664

10. Field and Pool or Exploratory Area  
County Line Tank; ABO

4. Location of Well (Footage, Sec, T, R., M., or Survey Description)  
At Surface 3530 FNL & 200 FWL, Lot 12  
At Proposed Production Zone: 3613 FNL & 330 FWL, Lot 12

11. Country or Parish, State  
Eddy County, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____	
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Concerning the 7" second intermediate casing string, Murchison Oil & Gas, Inc. respectfully requests the option to tie cement back to 200' (minimum) above the 9-5/8" casing shoe rather than circulate cement to surface (as is the case in the APD). Please note that the previous two casing strings have already been circulated to surface. Murchison also requests the option include a DV tool (stage collar) in the 7" casing string above a seepage zone at approximately 5000'.

Cementing Program for 7" Casing: Option 1 – Tie-Back 200 ft (Minimum) Above 9-5/8" Shoe  
Cement lead with 865 sacks of EconoCem Class C + additives with yield of 1.85 cu-ft/sk, tail with 550 sacks HalCem Class H + additives with yield of 1.00 cu-ft/sk, sufficient volume of cement will be pumped to ensure cement is placed minimum of 200 ft above the previous casing shoe. Will cement below 7" casing via 2-7/8" fiberglass tubing stinger to adequately plug back vertical pilot hole after logging and prior to drilling curve/horizontal section of well

Cementing Program for 7" Casing: Option 2 – Tie-Back 200 ft (Minimum) Above 9-5/8" Shoe Using DV Tool  
Place DV tool at approximately 4500 ft. Cement first stage with lead slurry of 310 sacks of EconoCem Class C + additives with yield of 1.85 cu-ft/sk, tail with 550 sacks HalCem Class H + additives with yield of 1.00 cu-ft/sk, sufficient volume of cement will be pumped to ensure cement is placed to the DV tool. Will cement below 7" casing via 2-7/8" fiberglass tubing stinger to adequately plug back vertical pilot hole after logging and prior to drilling curve/horizontal section of well. Cement second stage with lead slurry of 275 sacks EconoCem Class C + additives with yield of 1.85 cu-ft/sk, tail with 200 sacks HalCem Class C + additives with yield of 1.34 cu-ft/sk; sufficient volume of cement will be pumped to ensure cement is placed minimum of 200 ft above the previous casing shoe

Accepted for record

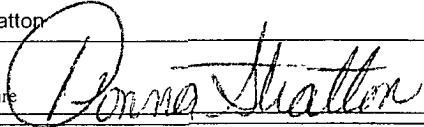
**RECEIVED**  
DEC 21 2011  
NMOCD ARTESIA

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Donna Stratton

Title Regulatory Agent

Signature



Date 12/06/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Office

**APPROVED**  
DEC 20 2011  
Date  
WESLEY W INGRAM  
PETROLEUM ENGINEER

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction