Form 3160-5 (August 2007)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**



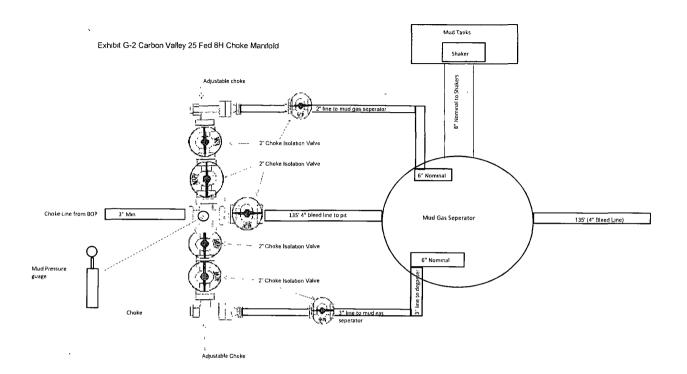
FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

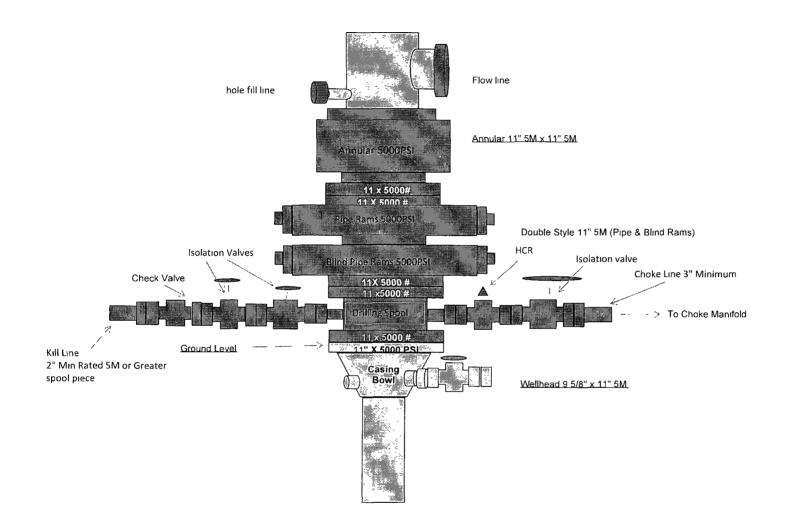
5 Lease Serial No SHL: NMNM98807 BHL: VO5557 (State Lease)

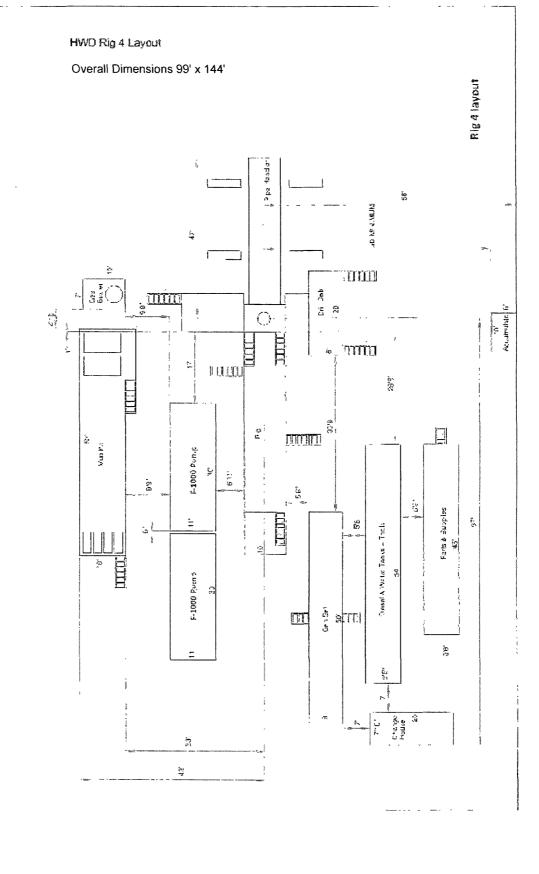
6. If Indian. Allottee or Tribe Name

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.

SUBMIT IN TRIPLICATE ~ Other instructions on page 2			7 If Unit of CA/Agreement, Name and/or No
1 Type of Well			8 Well Name and No
☐ Oil Well ☐ Gas Well ☐ Other			Carbon Valley 25 Fed Com #8H
Name of Operator Murchison Oil and Gas Inc			9 API Well No 30-015-39851
1100 Mira Vista Blvd. Plano. Tx. 75093		No (include area code)	10 Field and Pool or Exploratory Area Dog Canyon, Wolfcamp (17970)
4 Location of Well (Footage, Sec. T.R.M. or Survey Description)		3700	11 Country or Parish, State
Sec 25, T16S R27E, Lot 1, 1780FSL & 330FWL	and the second		Eddy County, New Mexico
12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
Notice of Intent	lter Casing	racture Treat Re	roduction (Start/Resume) Water Shut-Off eclamation Well Integrity
Subsequent Report	· · =	=	ecomplete Other
	_		emporarily Abandon //ater Disposal
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 filled once testing has been completed. Final Abandonment Notices must be filled only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) We respectfully request that the choke line from the BOP stack to the Choke Manifold to be used will change from a flanged. Inne to a flanged 5000psi hose. The hose has been pressure tested to 5000psi. Attached is the hose certification from the manufacturer. As well we request that we change the right from McVay #4 to HWD #4 (see attached rig layout), and change the BOP and Choke manifold (see attached schematics) SEE ATTACHED FOR CONDITIONS OF APPROVAL RECEIVED OCT 0.2 2012 NMOCD ARTESIA			
14 I hereby certify that the foregoing is true and co	тесі		
Name (Primed/Typed) Steve Morris		Title Drilling Engineer	
Signature		Date 09/21/2012	ADDROVED
THIS SPACE FOR FEDERAL OR STATE OFFICE USE ATTROOPED			
Approved by Title 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			SEP 2 2 2012 WESLEY W. INGRAM
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			







Carbon Valley 25 Fed Com 8H 30-015-39851 Murchison Oil and Gas, Inc. September 22, 2012 Conditions of Approval

- 1. Rig change approved as long as no additional surface disturbance occurred due to the change.
- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements (i.e. operator shall install Midwest Hose & Specialty, Inc. approved hose safety clamp on the mid-section of the hose and connect to the sub-floor). The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. BOP and choke manifold approved as presented. Operator approved to test to 3000 psi.

WWI 092212