

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*OCD - Artesia
FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM103598
2. Name of Operator MURCHISON OIL & GAS INC ✓		6. If Indian, Allottee or Tribe Name
Contact: CINDY COTTRELL E-Mail: ccottrell@jdmii.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1100 MIRA VISTA BLVD PLANO, TX 75093-4698	3b. Phone No. (include area code) Ph: 972-931-0700 Ext: 109 Fx: 972-931-0701	8. Well Name and No. CARBON VALLEY 25 FED COM 7H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T16S R27E NWNW Lot D 950FNL 330FWL ✓		9. API Well No. 30-015-38060-00-X1 ✓
		10. Field and Pool, or Exploratory DOG CANYON
		11. County or Parish, and State EDDY COUNTY, NM

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

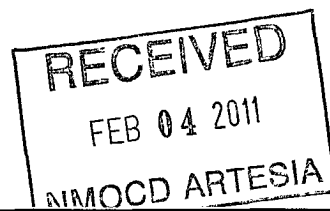
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/>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

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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1/9/11 Reached 10,672' TD.

1/10/11 Ran 109 jts. 4.5 in. 11.6# HCP-110 BTC liner with 11 stage peak completion system from 5,620 ft. to 10,445 ft. No cement required. Set packers & tested annulus to 5000 psi.

1/11/11 Released rig at 2:00 PM.



14. I hereby certify that the foregoing is true and correct. Electronic Submission #100562 verified by the BLM Well Information System For MURCHISON OIL & GAS INC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/14/2011 (11KMS0584SE)	
Name (Printed/Typed) ARNOLD NALL	Title VICE PRESIDENT OPERATIONS
Signature (Electronic Submission)	Date 01/14/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/30/2011
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.		Office Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****