District I State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit115525 Energy, Minerals and Natural Resources Phone:(505) 393-6161 Fax:(505) 393-0720 WELL API NUMBER Oil Conservation Division 1301 W. Grand Ave., Artesia, NM 88210 30-025-39735 Phone:(505) 748-1283 Fax:(505) 748-9720 1220 S. St Francis Dr. Santa Fe, NM 87505 Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 6. State Oil & Gas Lease No. Phone:(505) 476-3470 Fax:(505) 476-3462 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO CAPROCK FEE A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 002 1. Type of Well:O 9. OGRID Number 2. Name of Operator MURCHISON OIL & GAS INC 15363 3. Address of Operator 10. Pool name or Wildcat 1100 MIRA VISTA BLVD., PLANO, TX 75093 4. Well Location line and 1880 Unit Letter K 1880 feet from the S feet from the 26 Township 12S Range 33E NMPM Lea County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 4235 GR Pit or Below-grade Tank Application or Closure Pit Type ______ Depth to Groundwater_____ Distance from nearest fresh water well _____ Distance from nearest surface water_ mil Below-Grade Tank: Volume________bbls; Construction Material__ Pit Liner Thickness: 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK ALTER CASING COMMENCE DRILLING OPNS. PLUG AND ABANDON TEMPORARILY ABANDON CHANGE OF PLANS PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB X Other: Other: Spud 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. 6/8/2010 Spudded well. 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 NMOCD guidelines 🗀, a general permit 🗀 or an (attached) alternative OCD-approved plan [SIGNATURE Electronically Signed TITLE President DATE 6/11/2010 Type or print name Michael Daugherty E-mail address ctracy@jdmii.com Telephone No. 972-931-0700

TITLE Geologist

DATE 6/11/2010

For State Use Only: APPROVED BY:

Paul Kautz