District I Form C-103 State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 August 1, 2011 Phone:(575) 393-6161 Fax:(575) 393-0720 Energy, Minerals and Natural District II Permit 151210 811 S. First St., Artesia, NM 88210 Resources WELL API NUMBER Phone:(575) 748-1283 Fax:(575) 748-9720 District III 30-015-40160 Oil Conservation Division 1000 Rio Brazos Rd., Aztec, NM 87410 Indicate Type of Lease Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr. District IV S 1220 S. St Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS HIGH NITRO STATE COM (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 003H 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 150 Unit Letter 580 Ν feet from the line and feet from the 1ine 12 NMPM Township 17S 28E Section Range Eddy County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3714 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: 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 TEMPORARILY ABANDON

CHANGE OF PLANS COMMENCE DRILLING OPNS.
PLUG AND ABANDON PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB Other: Other: Spud X 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. 6/28/2012 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 \square , a general permit \square or an (attached) alternative OCD-approved plan \square .

TITLE COO

E-mail address ccottrell@jdmii.com

TITLE District Supervisor

DATE 7/2/2012

Telephone No. 972-931-0700

DATE 7/3/2012

SIGNATURE Electronically Signed

For State Use Only: APPROVED BY:

Type or print name Michael Daugherty

Randy Dade