

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.
NMNM 107384

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Rock Ridge Federal #3H2. Name of Operator
Murchison Oil & Gas, Inc. OGRID #0153639. API Well No.
30-015-395433a. Address
1500 Mira Vista Blvd
Plano, TX 750933b. Phone No (include area code)
972-931-040010. Field and Pool or Exploratory Area
Pierce Crossing; B.S. South (96671)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

At Surface: 1520' FNL & 350' FEL, Unit H
At Proposed Production Zone: 1650' FNL & 330' FWL

Section 30, T24S, R29E

11. Country or Parish, State
Eddy County, NM

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

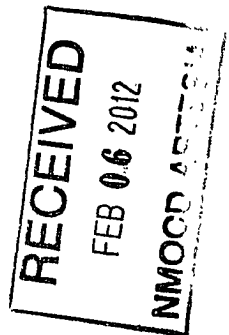
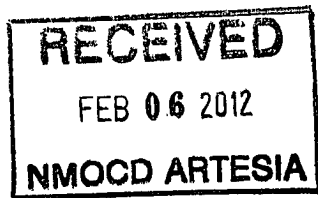
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 checked="" type="checkbox"/> Other <u>Changes to the</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>slurry and cement</u>
	<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 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 must 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 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.)

Accepted for record
NMOCD 1/25/2012

****Please See Attachment****

NOTE: The request to change the slurries for cement of the 5-1/2" casing were verbally approved by Ted Morgan with the BLM

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Donna Stratton

Title Regulatory Agent

Signature

Date 01/30/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

Title

Office

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.

(Instructions on page 2)

We are respectfully requesting to change the slurries for cementing of the 5-1/2" casing. We are requesting the change in order to place an acid-soluble tail slurry to match our fracture stimulation plans.

Slurries per the APD are:

Lead: 800 sx of Premium Plus Class H + additives, yield 2.44 ft³/sk

Tail: 600 sx 50/50 Poz Class C + additives, yield 1.34 ft³/sk

Top of cement was to be 200' inside the 8-5/8" intermediate casing.

We are proposing the following slurries:

Lead: 820 sx of ExtendaCem H + additives, yield 2.81 ft³/sk, 11.5 ppg

Tail: 450 sx of SoluCem H + additives, yield 2.61 ft³/sk, 15.0 ppg (acid soluble)

We are planning to circulate cement (9-5/8" 36# intermediate casing was set at 2658', per previous sundry notice), but we ask to keep the 200' minimum cement tieback requirement.

Hole size is 8-3/4" from shoe at 2658' to bottom of curve at 7480' (per previous sundry notice).

Hole size is 7-7/8" from bottom of curve at 7480' to TD of 11598'.

As per previous conversation, we have been verbally granted the option to eliminate the ball actuated sleeves from the 5-1/2" casing string.

**Rock Ridge Federal #3H
Murchison Oil & Gas Inc
30-015-39543
Feb 2, 2012
Conditions of Approval**

Sundry Requests:

Murchison consultant representative Cort Adkins has submitted the required Notice of Intent for the following:

- We are respectfully requesting to change the slurries for cementing of the 5-1/2" casing.
- Operator requested immediate approval due to time considerations.
- Operator stated intent to provide a sundry NOI within the required time frame.

Conditions of Approval:

The previous Conditions of Approval dated 10/17/11 remain applicable with the following additions:

The 200' lap above the previous casing shoe will be maintained as a minimum TOC.

The subsequent completion sundry will include details including the resulting TOC.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO 1004-0135
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.***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 NMNM107384
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 BOULEVARD PLANO, TX 75093-4698	3b. Phone No. (include area code) Ph: 972-931-0700 Ext: 109	8. Well Name and No ROCK RIDGE FEDERAL 3H
4. Location of Well (Footage, Sec., T, R, M., or Survey Description) Sec 30 T24S R29E SENE Lot H 1520FNL 350FEL		9. API Well No. 30-015-39543-00-X1
		10. Field and Pool, or Exploratory WILLOW LAKE
		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 type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 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.)

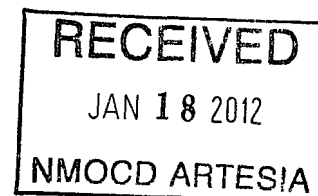
1/5/12 - Spud well at 3:00 PM with 17-1/2 in. hole & drilled to 515 ft.

1/6/12 - Ran 13-3/8 in. casing as follows:

1 Float Shoe - 1 ft.
1 Jt. 13-3/8 in. 54.5# J-55 STC - 41 ft.
1 Float Collar - 2 ft.
11 Jts. 13-3/8 in. 54.5# J-55 STC - 477 ft.
Total - 520 ft.

Set casing @ 515 ft. Cement Lead: 200 SXS Extendacem 4% bentonite, 2% CaCl; 13.5 ppg, 1.75 yield,
62 bbls slurry. Cement Tail: 340 SXS HalCem-C + 2% CaCl; 14.8 ppg, 1.35 yield, 82 bbls slurry.

Accepted for record
NMOCD
1/19/2012



14. I hereby certify that the foregoing is true and correct	
Electronic Submission #127723 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 01/11/2012 (12KMS0656SE)	
Name (Printed/Typed) DARRICK STALLINGS	Title VICE PRESIDENT OPERATIONS
Signature (Electronic Submission)	Date 01/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/14/2012
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

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

Additional data for EC transaction #127723 that would not fit on the form

32. Additional remarks, continued

Circ 33 bbls (106 SX) cmt to pit. Plug down. Cut off 13-3/8 in. csg, weld on wellhead. Tested to 1000 psi - OK. Nipple up BOP.

1/7/12 - Tested choke, blind & pipe rams, upper & lower kelly valves to 250 psi low and 3000 psi high. Tested annular to 250 psi low and 2500 psi high. Held OK. Pick up BHA & trip in hole w/ 12-1/4 in. bit. Test csg to 1500 psi - OK. WOC total of 24.75 hrs. Resume drilling formation at 515 ft.