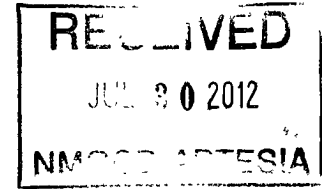




VIA CERTIFIED MAIL

July 24, 2012

State of New Mexico
Oil Conservation Division – District II
811 S. First St.
Artesia, NM 88210-2834



**RE: HIGH NITRO STATE COM #3H
API # 30-015-40160
EDDY COUNTY, NM**

Ladies and Gentlemen:

Enclosed please find the following:

- 1) Form C-104 – Test Allowable
- 2) Directional Survey

The bottom hole location has been estimated based on directional survey data. We have requested an amended C-102 from the surveyor and will forward it upon receipt.

We hereby request that the enclosed directional survey be kept confidential for 90 days. If you have any questions, please contact me at 972-931-0700 ext. 109 or ccottrell@jdmii.com.

Very truly yours,

MURCHISON OIL & GAS, INC.

Cindy Cottrell
Regulatory Coordinator

*we do not hold this
document as confidential
RRDade 7/31/12*

Enclosures