OCD-ARTESIA Form 3160-5 UNITED STATES FORM APPROVED (April 2004) OM B No 1004-0137 Expires: March 31, 2007 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5 Lease Serial No NM 98807 SUNDRY NOTICES AND REPORTS ON WELLS MAR 31 2010 If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. NMOCD ARTE 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. NM 105319 Type of Well ☐ ☐ Gas Well □□ Other 8. Well Name and No. **CARBON VALLEY 25 FEDERAL #1** 2. Name of Operator MURCHISON OIL & GAS, INC. API Well No. 30-015-30953 3a Address 3b. Phone No (include area code) 1100 MIRA VISTA BLVD., PLANO, TX 75093-4698 972-931-0700 10 Field and Pool, or Exploratory Area DOG CANYON; WOLFCAMP 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1650' FSL & 660' FEL SEC. 25, T16S, R27E EDDY CO., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Recomplete Casing Repair New Construction Other ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice ✓ Plug Back Convert to Injection 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 recomplete 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 recompletion 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.)

Murchison Oil & Gas, Inc. plugged back the perforated Morrow intervals at 9310' - 9314' and 9345' - 9359' by setting a CIPB @ 9,250'; TIH w/2-7/8" tbg to CIBP & spotted 25 sx Class C cmt to 8994'. POOH w/tbg to 8955' & circ hole clean. Spotted 40 bbls 10 PPG salt gel from 8955' to 7500'; POOH LD tbg. RU WL & set 2nd CIBP @ 7500'; dump bailed 35' cement on top for new PBTD @ 7465'. Loaded csg & pressure test to 6100 psig for 30 minutes - OK. Perforate Wolfcamp 6286' - 6298', 6325' - 6339', 6358' - 6368', 6386' - 6394' (44', 264 holes). Acidized w/7000 gals 20% HCL NEFE acid; frac w/107,800 # 30/50 Ottawa sand plus 138,909 gals Silver Stim LT-R(21) gel.

14 The proof Calcade Comment		
14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)		
A. Arnold Nall	Title Vice President Operations	חבתמחח
Signature Q. Churold all	Date 03/22/2010 EPIEU FUR	KEUUKU
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title Date MAR 2 8 2	2010
Conditions of approval, if any, are attached Approval of this notice does not warran certify that the applicant holds legal or equitable title to those rights in the subject lear which would entitle the applicant to conduct operations thereon		ANAGEMENT
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 departments of the Funded States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction		
(Instructions on page 2)		