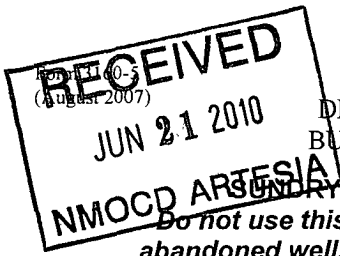


dm



UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

5. Lease Serial No.
SHL:LS#NMNM104676 BHL:NMNM12110
6 If Indian, Allottee or Tribe Name
N/A

NOTICE 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 page 2.

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MURCHISON OIL & GAS, INC.

3a. Address

1100 MIRA VISTA BLVD.
PLANO, TX 75093-4698

3b. Phone No. (include area code)

972-931-0700

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

8 Well Name and No.
CARBON VALLEY 31 FED COM #1H

9. API Well No
30-015-37603

10. Field and Pool or Exploratory Area
DOG CANYON; WOLFCAMP

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

SHL: 1980' FSL & 200' FEL, UNIT I, SEC 31, T16S, R28E
BHL: 1980' FSL & 330' FWL, UNIT L, SEC. 31, T16S, R28E

11 Country or Parish, State
EDDY, NM

12 CHECK THE 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 <u>Run 7" Casing</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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 must 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 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.)

Run 7" casing as follows:

1	2-7/8" Bull Nose Shoe	1'
6 Jts.	2-7/8" 6.5# L-80 tbg	189'
20 Jts.	2-7/8" 1.27# SP8- 2K Fiberglass tbg	583'
1	Aluminum XO 2-7/8" EUE x 7" LTC	1'
1	7" Collar HCP-110 LTC	1'
1	Float Collar	1'
1 Jt.	7" 26# HCP-110 LTC	44'
1	Float Collar	1'
136 Jts.	7" 26# HCP-110 LTC	5901'
	TOTAL	6722'

Set bottom of 7" casing at 5939'. Cement - Lead w/ 750 SXS EconoCem-HLC w/ 3% salt + 5 PPS Gilsonite mixed @ 12.9 PPG, 1.83 yield, 9.17 GPS water. Tail w/ 620 SXS HalCem-H + 0.8% CFR-3 mixed @ 17 PPG, 1.00 yield, 3.9 GPS water. Plug down. Circ 159 SXS to catch tank. Nipple up BOP & test to 250 psi low & 5000 psi high. Held OK. Trip in hole with 6-1/8" bit & 3 1/2" drill pipe. WOC total of 24 hrs. Test casing to 1500 psi. Drill cement, float collars, & XO from 5890' – 6030'.

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

A. Arnold Nall

Title Vice President Operations

Signature

A. Arnold Nall

Date 06/10/2010

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved by

Title

Office

ACCEPTED FOR RECORD

Date

JUN 16 2010

/s/ Dustin Winkler

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(Instructions on page 2)