PTGW

DATE IN 5.15.17	SUSPENSE	ENGINEER WVJ	LOGGED IN 5.15.17	SWD TYPE SWD	APP NO. 1213652765

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

Marchison Oil & Gas 15363

Ringer Fed Com #6

30-015-33187

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

P-3-25S-26E

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2017 MAY 15 P 1:10

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

12850' - 13700'

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Michael S. Daugherty	Michael S. Daugherty	Chief Operating Officer	05/14/12
Print or Type Name	Signature	Title	Date

mdaugherty@jdmii.com
e-mail Address

MURCHISON OIL & GAS, INC.

May 14, 2012

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

RE: Ringer Federal Com #6 (30-015-33187)
Sec. 3, T25S, R26E, Eddy County, NM
SWD Administrative Application

To Whom It May Concern:

Enclosed is an original Form C-108 (Application for Authorization to Inject) for the well mentioned above.

This well never produced, it was plugged and abandoned after wire line logs (HALS/TLD/MCFL/CNL/GR/CAL) were run.

Murchison proposes to re-enter the well, drill out the 5 cement plugs, and ream to bottom and drill ahead to a new TD of 13700'MD +/-. The well is planned to be cased with 5.5"casing from surface to 12850'MD, 40' into the top of the Devonian formation with 5.5" slotted casing from 12850' – 13700'. An ECP/DV tool will be set at 12850' with a 7-5/8" hydraulic set packer set at 12830'.

The Affidavit of Publication on May 9, 2012 from the Carlsbad Current Argus is enclosed. Proof of notice to operators in the area of review is attached.

If you have any questions or need further information, please call me at (972) 931-0700.

Sincerely,

Michael S. Daugherty
COO

Enclosures

RECEIVED OCD
2012 MAY 15 P 1:03

1100 MIRA VISTA BLVD., PLANO, TX 75093-4698 PHONE: (972) 931-0700 FAX: (972) 931-0701

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance __X__Disposal _____Storage
Application qualifies for administrative approval? _____Yes _____No

II. OPERATOR: Murchison Oil and Gas

ADDRESS: 1100 Mira Vista Blvd., Plano, TX, 75093

CONTACT PARTY: Jack Rankin PHONE: 972-931-0700

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes __X__No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

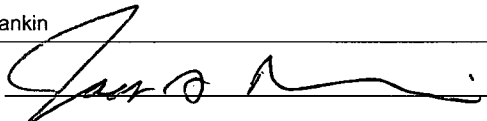
*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Jack Rankin TITLE: VP Operations

SIGNATURE:  DATE: 23 May 2012

E-MAIL ADDRESS: jrankin@jdmii.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Murchison Oil and Gas

WELL NAME & NUMBER: Ringer Fed Com 6

WELL LOCATION:	1250' FSL & 1250' FEL	P	3	25-S	26-E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC

See attached well bore schematic.

Production Casing

Hole Size: 6.5" Casing Size: 5.5", 17#, P-110
fr/ Surface to 12850'MD
Cemented with: 600sx
Top of cement: Surface Method Determined: Circulate
4.125" Open Hole fr/ 12850'-13700'

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8", 68#, J-55, BTC @ 350'MD
Cemented with: 400 sx. *or* _____ ft^3
Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 9-5/8", 47#, L-80, LTC @ 1914'MD
Cemented with: 750 sx. *or* _____ ft^3
Top of Cement: Surface Method Determined: Circulated

Intermediate Casing 2

Hole Size: 8-3/4" Casing Size: 7-5/8", 33.7#, N-80, SJ-2 @ 8553'MD
Cemented with: 1227 sx. *or* _____ ft^3
Top of Cement: Surface Method Determined: Perforated the 7-5/8" casing @ 400'MD and cemented to surface
Total Depth: 8553'MD

Injection Interval

12850 feet to 13700

(Perforated or Open Hole; indicate which)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 3.5" Lining Material: Nylon

Type of Packer: 5.5" Hydraulic set production packer

Packer Setting Depth: 12830'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____Yes X No

   If no, for what purpose was the well originally drilled? Gas producer well that was dry.

2. Name of the Injection Formation: Devonian

3. Name of Field or Pool (if applicable): White City Penn

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

   No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

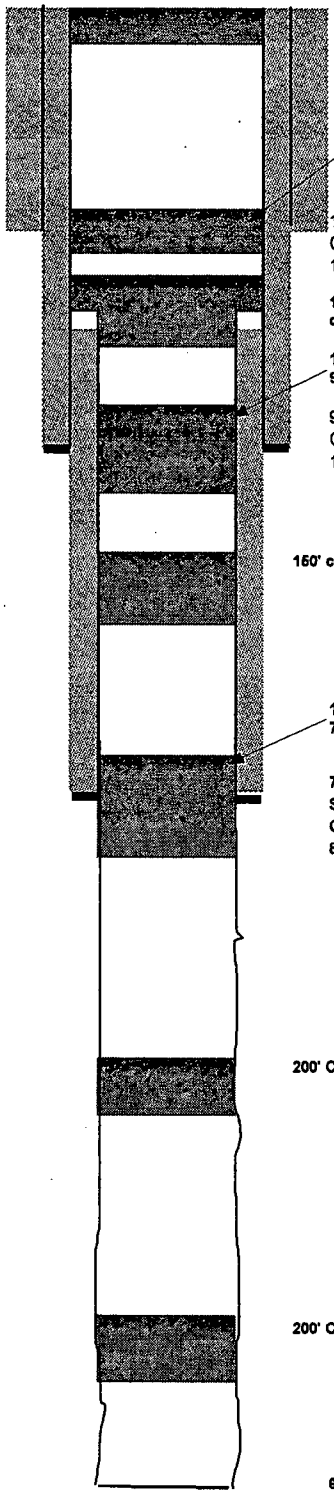
   Bone Spring - 5376'

   Wolfcamp - 8608'

MURCHISON OIL AND GAS, INC.
Ringer Federal Com #6
SEC. 3, T-25S, R-26E
1250' FSL AND 1250' FEL
EDDY COUNTY, NEW MEXICO
API # 30 - 015 - 33187

GL: 3340'

4" X 4" P & A MARKER W/ WELL INFORMATION AS ABOVE WELDED ON AND PLUG DATE



60' Cmt to surface

100' Cmt plug 50' above and below 13 3/8" csg shoe 300' to 400'

13 3/8" 68# J-55 Butt @ 350'
Cmt W/ 400 Sx "C" Cir 54 sx to pit
17 1/2" HOLE

100' cmt plug 50' above and below 7 5/8" cut off.

100' cmt plug 50' above and below 9 5/8" csg shoe 1,900' to 2,000'

9 5/8" 47# L-80 & P-110 LT&C @ 1,950'
Cmt w/ 950 sx Cir. 89 sx to pit
12 1/4" H(

150' cmt plug at top of Bone springs 6,500' and up

150' cmt plug 75' above and below 7 5/8" csg shoe ' to 8,603"

7 5/8" 33.7# S-95, N-80, P-110, SJ-2
Set At 8553'
Cmt W/ 1227 Sx,TOC at 1650' by Temp survey
8 3/4" hole

FORMATION TOPS

Bell Canyon	1,906'
Bone Springs	6,376'
Wolfcamp	8,508'
Strawn	10,292'
Atoka	10,347'
Morrow	10,937'

200' Cmt plug at top of Strawn 10,292'and up

200' Cmt plug at top of Morrow 10,937' and up

6 1/2" HOLE @ 11,760'

Murchison Oil and Gas

Field:			**By:** SM
Lease: Ringer	**Planned RKB-MSL:** 3340 ft		**Date:** 23-May-12
Well: 6	**Surface Location:** 1250' FSL & 1250' FEL	P 3 25-S 26-E	
Rig:			

Dir. Plan Inc.	Dir. Plan Azm.	Dir. Cntrl	Formation Tops	Hole Size	MD / TVD	Casing Program	Eval. Program LWD	Eval. Program E-Line	Mud Logging
0.0	0.0				52 / 52	20"			
				17.5"	362 / 362	13¾", 68#, J55, BTC			
			Bell Canyon: 1906	12.25"	1926 / 1926	9⅝", 47#, L-80 LTC			
			Bone Springs: 5376	8.75"	8553 / 8553	DV Tool 7⅝", 33.7#, N-80, SJ-2			
			Wolfcamp: 8608 Strawn: 10292 Atoka: 10347 Morrow: 10937 Top Devonian: 12810	6.5"	12850 / 12850	Packer set at 12830 5.5", 17#, P-110, FJ			
				4.125"	13,700 / 13,700	3.5" L-80 9.2# tubing Open hole			
			Montoya: 13810						

Murchison Oil and Gas

Field:			**By:** SM
Lease: Ringer	**Planned RKB-MSL:** 3340 ft		**Date:** 4-May-12
Well: 6	**Surface Location:** 1250' FSL & 1250' FEL	P 3 25-S 26-E	
Rig:			

Dir. Plan Inc.	Dir. Plan Azm.	Dir. Cntrl	Formation Tops	Hole Size	MD / TVD	Casing Program	Eval. Program LWD	Eval. Program E-Line	Mud Logging
0.0	0.0				52 / 52	20"			
				17.5"	362 / 362	13⅜", 68#, J55, BTC			
			Bell Canyon: 1906	12.25"	1926 / 1926	9⅝", 47#, L-80 LTC			
			Bone Springs: 5376	8.75"	8553 / 8553	7⅝", 33.7#, N-80, SJ-2			
			Wolfcamp: 8608 Strawn: 10292 Atoka: 10347 Morrow: 10937 Top Devonian: 12810	6.5"	12850 / 12850	Packer set at 12830 DV Tool and ECP on end of 5.5", 17#, P-110"			
			Montoya: 13810	6.5"	2.875" L-80 6.4# tubing 13,700 / 13,700	5.5" slotted casing			

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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

5. Lease Serial No.
NM 19836

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
8138

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
RINGER FED COM #6

2. Name of Operator
MURCHISON OIL & GAS, INC.

9. API Well No.
30-015-33187

3a. Address
1100 MIRA VISTA BLVD.
PLANO, TX. 75093-4698

3b. Phone No. *(include area code)*
(972) 931-0700

10. Field and Pool, or Exploratory Area
WHITE CITY PENN

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SEC. 3, T25S, R26E
1250' FSL & 1250' FEL SE/SE (P)

11. County or Parish, State
EDDY, NM.

JUL 2004
RECEIVED
OCD - ARTESIA

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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.)

SEE ATTACHED

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

ACCEPTED FOR RECORD
JUL 7 2004
LES BABYAK
PETROLEUM ENGINEER

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

Title VICE PRESIDENT OPERATIONS

Signature Michael S. Daugherty

Date 6/30/04

ACCEPTED FOR RECORD - NMOCD

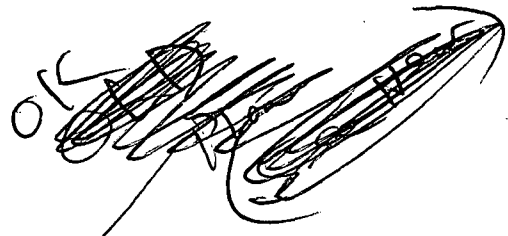
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

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 reverse)

Ringer Fed Com #6
Eddy Co., NM.
Attachment to Form 3160-5 dated 6/30/04
Plug and Abandon



Drilled 6-1/2" hole to total depth of 11760' on 5/22/04. Spot cement plug above Morrow from 10987' to 10748' with 50 SXS Class "H" + 1.2% BA-50 + .40% CD-32 + .10% SMS + 5% NACL.

Spot cement plug above Strawn from 10292' to 10049' with 50 SXS Class "H" + 1.2% BA-50 + .40% CD-32 + .10% SMS + 5% NACL.

Spot cement plug 7-5/8" across casing shoe @ 8553'. Cement from 8628' to 8449' Class H + 1.2% BA-50 + .40% CD-32 + .10% SMS + 5% NACL, WOC and tag top of plug at 8488'.

Spot cement plug above Bone Springs from 5500' to 5321' with 40 SXS Class H + 1.2% BA-50 + .40% CD-32 + .10% SMS + 5% NACL.

Spot cement plug across 9-5/8" casing shoe @ 1914'. Cement plug from 2000' to 1866' 30 SXS Class "H" + 1.2% BA-50 + .40% CD-32 + .10% SMS + 5% NACL.

Perforate 7-5/8" casing @ 400' with 4 SPF. Pump 79 SXS Class "C" 2% CACL until good cement to surface.

Pits fenced, location cleaned, mouse and rat hole filled and P&A marker installed. Pit remains to be closed and location reclaimed. Will submit final P&A notice when complete.

GEOLOGICAL TOPS

Bell Canyon	1906'
Bone Springs	5376'
Wolfcamp	8608'
Strawn	10292'
Atoka	10347'
Morrow	10937'

NOTE: Notified Kathy with BLM of Plugging operations @ 1700 HR. 5/26/04 prior to plugging.

District I
1625 N. French Dr. Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, N M 87505

Form C-102
Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	87280	WHITE CITY PENN (GAS)

Property Code	Property Name	Well Number
	RINGER FEDERAL COM	*6*

OGRID No.	Operation Name	Elevation
015363	*MURCHISON OIL & GAS, INC.*	*3340*

Surface Location

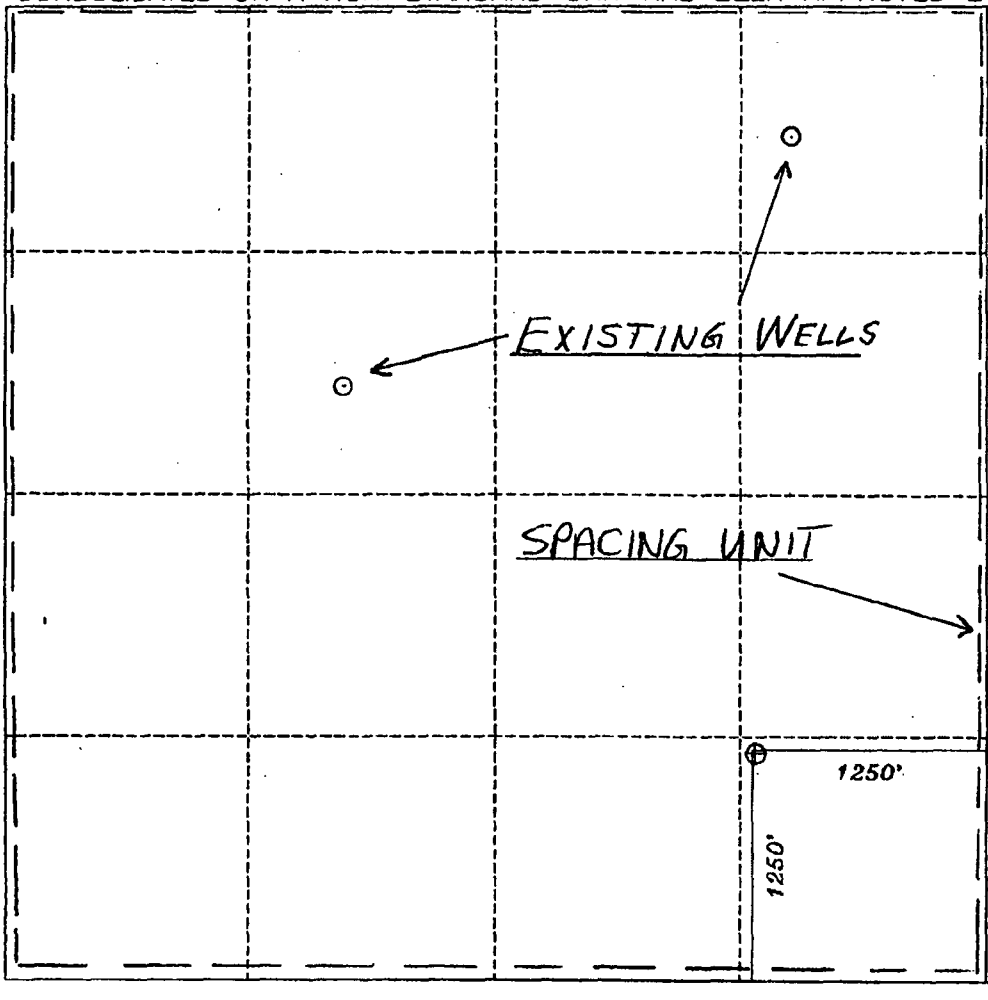
UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
P	*3*	*25-S*	*26-E*		*1250*	*SOUTH*	*1250*	*EAST*	*EDDY*

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640	INFILL		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature: Michael S. Daugherty

Printed Name: MICHAEL S. DAUGHERTY

Title: VICE PRESIDENT OPERATIONS

Date: 11/14/03

SURVEYOR CERTIFICATION

I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEPTEMBER 8, 2003

Date of Survey

Signature and Seal of Professional Surveyor

NEW MEXICO — 5412 — REGISTERED PROFESSIONAL ENGINEER — LAND SURVEYOR

NM PE&LS #5412

Certificate Number

ATTACHMENT TO FORM 3160-3
Murchison Oil & Gas, Inc.
Ringer Federal Com #6H SWD
SL: 1,250' FSL & 1,250' FEL, Unit P
Sec 3, T25S, R26E
Eddy County, New Mexico

1. ESTIMATED FORMATION TOPS

Salado	350'
Base of Salt	1687'
Lamar Lime	1900'
Bell Canyon	1906'
Cherry Canyon	2804'
Bone Spring	5376'
3rd Bone Spring	8156'
Wolfcamp	8608'
Strawn	10292'
Atoka	10347'
Morrow Limestone	10937'
Morrow Clastics	11288'
Devonian	12810'
Montoya	13810'

PROPOSED DEPTH: 13,700' MD

2. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL, OR GAS

Anticipated Formation Tops: RKB +/- 3360' Ground Elevation: 3340'

Fresh Water	50' – 300'	Surface Fresh Water Sands
Oil/Gas	1906'	Delaware
Oil/Gas	5376'	Bone Spring
Oil/Gas	8608'	Woflcamp
Oil/Gas	10,292'	Strawn
Oil/Gas	11,288'	Morrow

3. CASING PROGRAM

Casing Size	Hole Size	From To	Weight	Grade	Joint	Condition	Purpose
13.375"	17.5"	0' – 362'	68#	J-55	BTC	New	Surface
9.625"	12.25"	0' – 1926'	47 #	L-80	LTC	New	Intermediate
7.625"	8.75"	0' – 8553'	33.7 #	N-80	SJ-2	New	Intermediate
5.5"	6.5"	8553' – 12850'	17#	P-110	FJ	New	Liner

Casing Size	Casing ID	Burst Rating, psi	Safety Factor	Collapse Rating, psi	Safety Factor	Tension Rating, 1000 lbs.	Safety Factor
13.375"							
9.625"	8.681"	6870	2.5	4760	3.71	893	9.8
7.625"	6.756"	7900	1.42	6560	1.54	700	2.43
5.5"	4.89"	10640	1.1	7480	1.17	420	1.91

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

SURFACE CASING:

Tension	Calculated using weight of casing times landing depth without utilizing buoyancy effects
Collapse	Calculated with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run. The effects of axial load on collapse will be considered.
Burst	In all cases a conservative fracture pressure will be used such that it represents the upper limit of potential fracture gradients up to a 1.0 psi/ft. gradient. The effects of tension on burst will not be utilized.

INTERMEDIATE CASING:

Tension	Calculated using weight of casing times landing depth without utilizing buoyancy effects
Collapse	Calculated with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run. The effects of axial load on collapse will be considered.
Burst	In all cases a conservative fracture pressure will be used such that it represents the upper limit of potential fracture gradients up to a 1.0 psi/ft. gradient. The effects of tension on burst will not be utilized

PRODUCTION CASING:

Tension	Calculated using weight of casing times landing depth without utilizing buoyancy effects.
Collapse	Calculated with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run. The effects of axial load on collapse will be considered.
Burst	Maximum surface treating pressure will be limited to 85% of the rated burst pressure.

4. PRESSURE CONTROL EQUIPMENT: Blowout Preventer (See Attached Diagrams)
A BOP equivalent to Diagram 1 will be nippled up on the 13-3/8" casing strings. The BOP Stack, choke, kill lines, Kelly cock, inside BOP, etc., will be hydro tested to 10,000 psi and 1500 psi on the intermediate casing by an approved pressure tester. The annular will be tested to 3000 psi. In addition to the rated working pressure tests, a low pressure (250 psi) test will be required. These tests will be performed:

a) upon installation
b) after any component changes
c) 15 days after a previous test
d) as required by well conditions.

A function test to insure that the preventors are operating correctly will be performed on each trip. See the attached Diagram 1 for the minimum criteria for the 5000 psi choke manifold.

5. MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
8553'-13700'	Brine	8.7-8.9	34-36	2-3	2-3	12-15	

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run open-hole logs and casing, the viscosity and water loss may have to be adjusted to meet these needs.

Mud system monitoring equipment with derrick floor indicators and visual / audio alarms shall be installed and operative prior to drilling into the Paddock formation. This equipment will remain in use until the production casing is run and cemented. Monitoring equipment shall consist of the following:

- A recording pit level indicator.
- A pit volume totalizer.
- A flowline sensor.

6. TECHNICAL STAGES OF OPERATION

A. Testing: None planned.

B. Mud Logging:

- Two man unit from 8553' to TD

C. Conventional Coring: None anticipated.

D. Cement:

5.5" Liner - Cementing Program
Cement lead with 12.8ppg 1040 sacks of Premium Plus Class C 35/65 + 6% Bentonite + 0.3% C-16A + 0.25# Cello Flake + 0.25% R-38 + 3% Salt (BWOW) with yield = 1.86 cu.ft./sack & tail with 14.8ppg 150 sacks Premium Plus Class C + 0.4% C-16A + 0.2% C-35 + 0.25% R-38 with yield = 1.33 cu.ft./sack; circulate cement to surface. If cement does not circulate, will run a temperature survey to find actual top of cement and run 1" tubing into annulus and pump cement as necessary to achieve circulation to surface. 150% excess will be used.

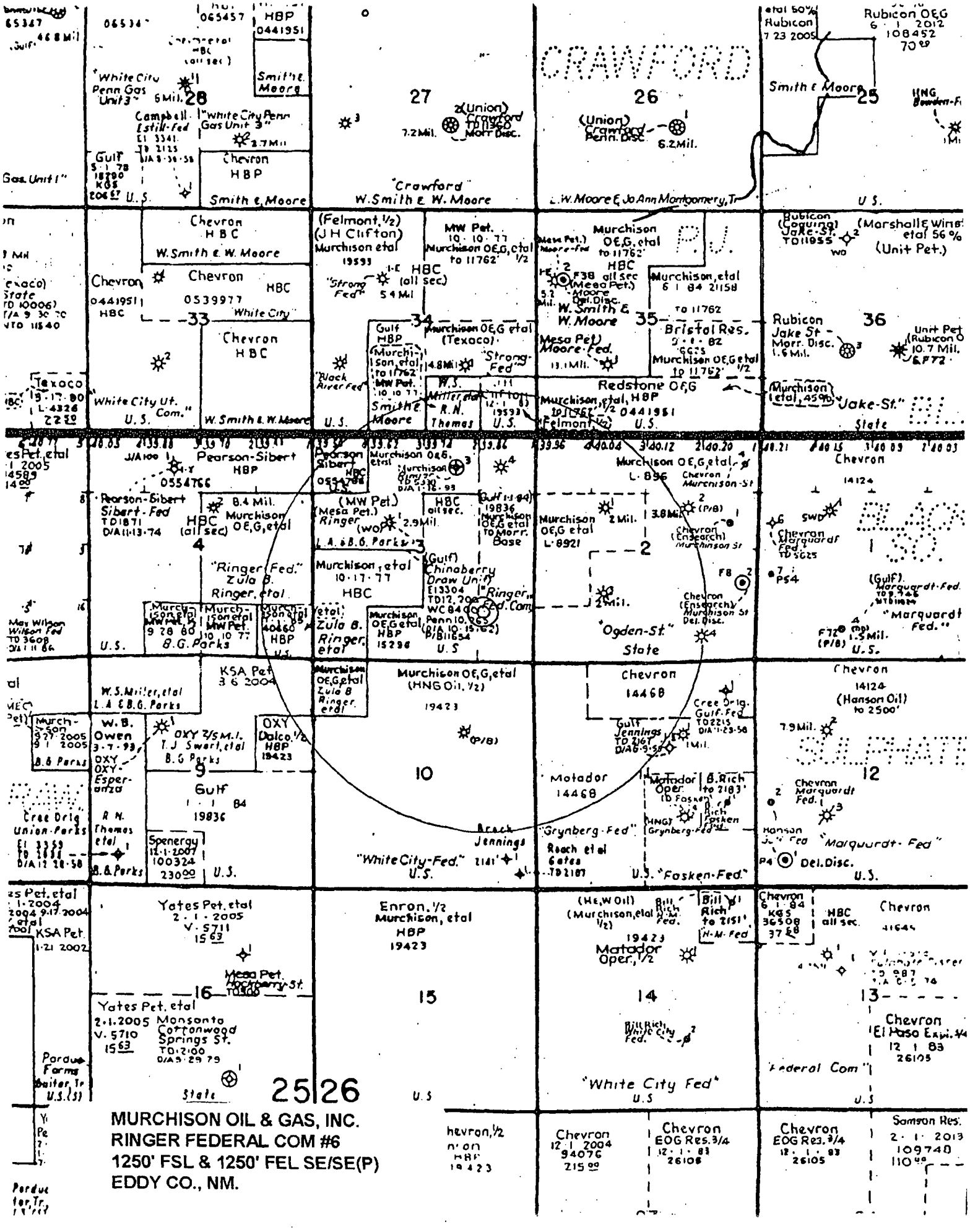
7. ANTICIPATED RESERVOIR CONDITIONS

No abnormal temperatures or pressures are anticipated. Low levels of H2S have been monitored in producing wells in the area, so H2S may be present while drilling the well. An H2S Plan is attached to the Drilling Program. Anticipated Bottom Hole Pressure is 5800 PSI (maximum), and anticipated static Bottom Hole Temperature is 280 degrees Fahrenheit.

8. OTHER PERTINENT INFORMATION

A. Auxiliary Equipment
- Upper and lower Kelly cocks. Full opening stab in valve on the rig floor.

B. Anticipated Starting Date
- Upon approval
- 14 days drilling operations with drilling rig
- 3 days completion operations with drilling rig


CRANFORD
MURCHISON OIL & GAS, INC.
RINGER FEDERAL COM #6
1250' FSL & 1250' FEL SE/SE(P)
EDDY CO., NM.

Murchison Oil and Gas

Southern Eddy County New Mexico

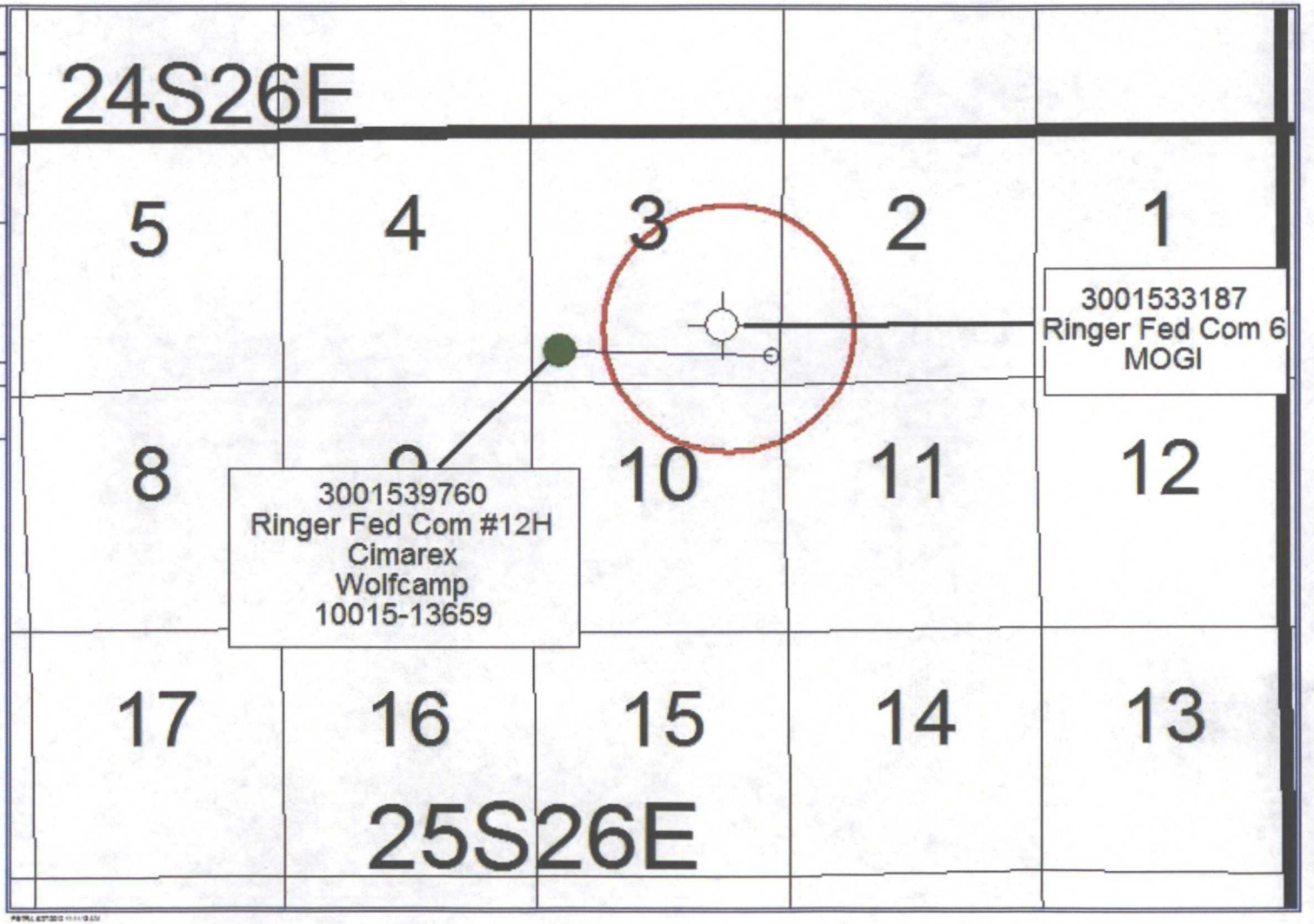
SWD Ringer #6

0 307 614 921 1,228 1,535 1,842
METERS

WELL SYMBOLS
Oil Well
Dry Hole

By: Amanda Wood

June 27, 2012



Murchison Oil and Gas

Southern Eddy County New Mexico

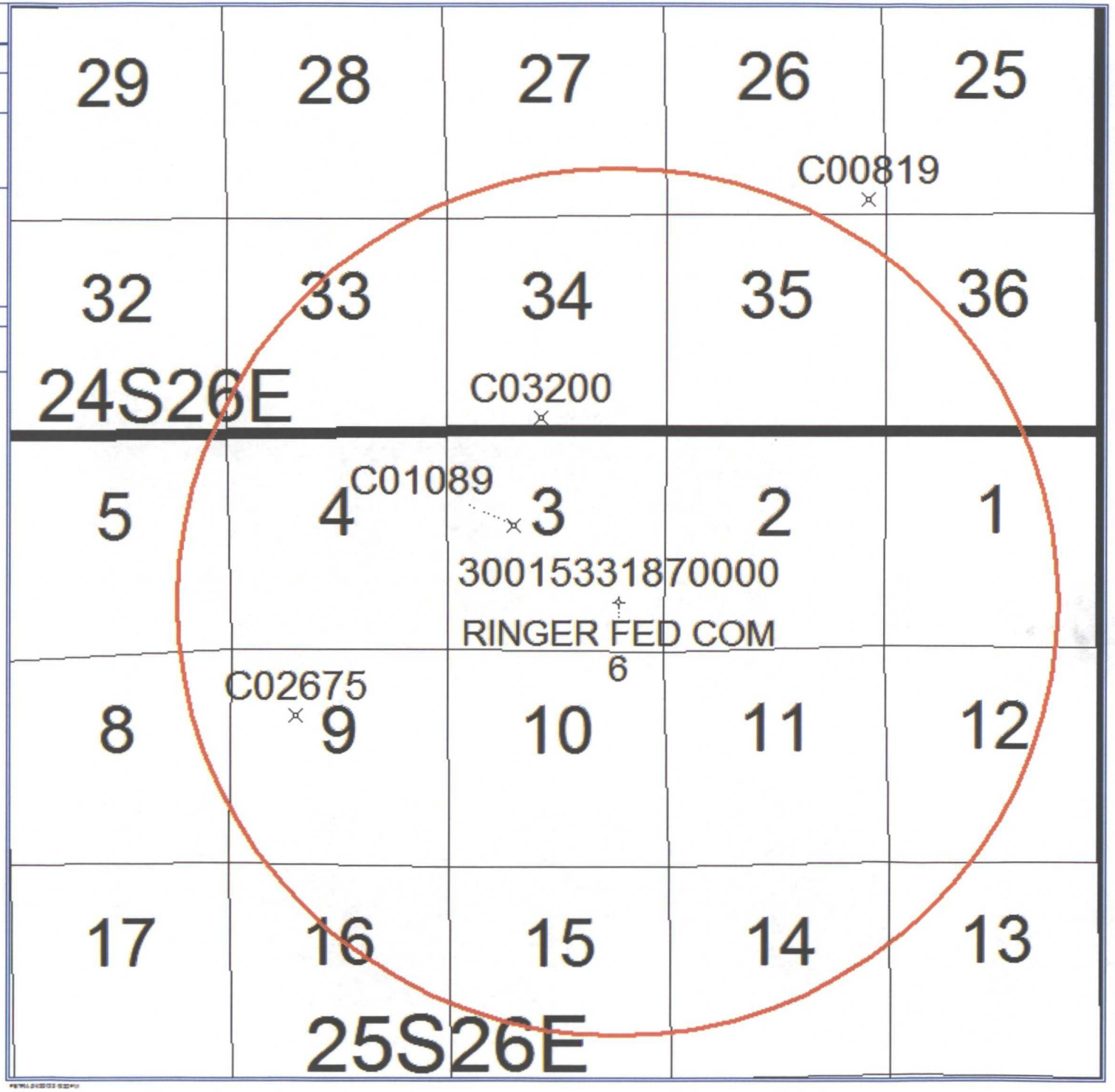
SWD Ringer #6

0 300 600 900 1,200 1,500 1,800
METERS

WELL SYMBOLS
Dry Hole
Water Well

By: Amanda Wood

May 4, 2012



2 mi Radius
3218.7 meters

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	POD Code	Subbasin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
C 01089	C		ED	3	4	1	03	25S	26E	567505	3558398*	900	96	45	51
C 03200	C		ED	4	4	3	34	24S	26E	567708	3559212*	1455	80	52	28
C 02675	C		ED	1	4	1	09	25S	26E	565907	3556978*	2470	180	45	135

Average Depth to Water: **47 feet**

Minimum Depth: **45 feet**

Maximum Depth: **52 feet**

Record Count: 3

Basin/County Search:

Basin: Carlsbad **County:** Eddy

UTMNAD83 Radius Search (in meters):

Easting (X): 568218.54 **Northing (Y):** 3557849.36 **Radius:** 3218.7

***UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Water Right Summary

get image list

WR File Number: C 03200
Primary Purpose: STK 72-12-1 LIVESTOCK WATERING
Primary Status: EXP EXPIRED
Total Acres:
Total Diversion: 0
Owner: FRED BEARD
Owner: DEBORAH BEARD

Documents on File

	Doc	File/Act	Status 1	2	3	Transaction Desc.	From/To	Acres	Diversion	Consumptive
get images	72121	2005-06-02	EXP	EXP	ABS	C 03200	T			3

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Other Location Desc
C 03200	Shallow	4	4	3	34	24S	26E	567708	3559212*	

*An (*) after northing value indicates UTM location was derived from PLSS - see Help

New Mexico Office of the State Engineer
Point of Diversion Summary

		(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest)						(NAD83 UTM in meters)	
POD Number		**Q64**	**Q16**	**Q4**	**Sec**	**Tws**	**Rng**	**X**	**Y**
C	03200	4	4	3	34	24S	26E	567708	3559212*

Driller License: BRAZEAL, JOHN
Driller Name: WAYNE BRAZEAL

Drill Start Date:	08/12/2005	**Drill Finish Date:**	08/20/2005	**Plug Date:**	
Log File Date:	08/18/2006	**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	8
Casing Size:		**Depth Well:**	80 feet	**Depth Water:**	52 feet

Water Bearing Stratifications:	**Top**	**Bottom**	**Description**
	65	75	Sandstone/Gravel/Conglomerate

***UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Water Right Summary

get image list

WR File Number: C 02675
Primary Purpose: STK 72-12-1 LIVESTOCK WATERING
Primary Status: PMT PERMIT
Total Acres:
Total Diversion: 3
Owner: FRED BEARD
Contact: FRED BEARD
Owner: FIRST FEDERAL BANK
Owner: DEBORAH BEARD

Documents on File

	Doc	File/Act	Status 1	2	3	Transaction Desc.	From/To	Acres	Diversion	Consumptive
get images	COWNF	2004-07-30	CHG	PRC	ABS	C 02675	T			0
get images	COWNF	2004-06-07	CHG	PRC	ABS	C 02675	T			0
get images	72121	2000-01-25	PMT	LOG	ABS	C 02675	T			3

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q Q Q 64 16 4	Sec	Tws	Rng	X	Y	Other Location Desc
C 02675	Shallow	1 4 1	09	25S	26E	565907	3556978*	

***An (*) after northing value indicates UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

POD Number	Q64	Q16	Q4	Sec	Twp	Rng	X	Y
C 02675	1	4	1	09	25S	26E	565907	3556978*

Driller License: DUBOSE DRILLING, INC.
Driller Name: BILL DUBOSE, JR.

Drill Start Date: 02/09/2000 **Drill Finish Date:** 02/15/2000 **Plug Date:**
Log File Date: 03/01/2000 **PCW Rcv Date:** **Source:** Shallow
Pump Type: **Pipe Discharge Size:** **Estimated Yield:** 20
Casing Size: 6.00 **Depth Well:** 180 feet **Depth Water:** 45 feet

Water Bearing Stratifications:	Top	Bottom	Description
	25	85	Shallow Alluvium/Basin Fill

Casing Perforations:	Top	Bottom
	60	80
	140	180

Meter Number: 1288 **Meter Make:** UNKNOWN
Meter Serial Number: NONE **Meter Multiplier:** 10.0000
Number of Dials: 6 **Meter Type:** Diversion
Unit of Measure: Barrels 42 gal. **Return Flow Percent:**
Usage Multiplier: **Reading Frequency:** Monthly (No Reading Expected)

Meter Readings (in Acre-Feet)

Read Date	Year	Mtr Reading	Flag	Rdr	Comment	Mtr Amount
04/01/2000	2000	26874	A	ms		0
04/01/2000	2000	26993	A	ms	project completed	0.153

**YTD Meter Amounts:	Year	Amount
	2000	0.153

*UTM location was derived from PLSS - see Help

New Mexico Office of the State Engineer
Water Right Summary

get image list

WR File Number: C 01089
Primary Purpose: PRO 72-12-1 PROSPECTING OR DEVELOPMENT OF NATURAL RESOURCE
Primary Status: PMT PERMIT
Total Acres:
Total Diversion: 0
Owner: GULF OIL CORPORATION
Contact: J. M. RUSSELL

Documents on File

	Doc	File/Act	Status 1	2	3	Transaction Desc.	From/To	Acres	Diversion	Consumptive
get images	72121	1962-07-27	PMT	LOG	PRC	C 01089	T			3

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q Q Q 64 16 4	Sec	Tws	Rng	X	Y	Other Location Desc
C 01089	Shallow	3 4 1	03	25S	26E	567505	3558398*	

***An (*) after northing value indicates UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Point of Diversion Summary

POD Number	Q64	Q16	Q4	Sec	Twws	Rng	X	Y
	(quarters are 1=NW 2=NE 3=SW 4=SE)			(quarters are smallest to largest)			(NAD83 UTM in meters)	
C 01089	3	4	1	03	25S	26E	567505	3558398*

Driller License: ABBOTT BROTHERS COMPANY
Driller Name: ABBOTT, FLOYD

Drill Start Date:	08/06/1962	**Drill Finish Date:**	08/07/1962	**Plug Date:**	11/01/1962
Log File Date:	08/17/1962	**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	
Casing Size:	7.00	**Depth Well:**	96 feet	**Depth Water:**	45 feet

Water Bearing Stratifications:	Top	Bottom	Description
	45	65	Sandstone/Gravel/Conglomerate
	65	75	Sandstone/Gravel/Conglomerate
	75	90	Sandstone/Gravel/Conglomerate

Casing Perforations:	Top	Bottom
	45	90

***UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Water Right Summary

get image list

WR File Number: C 00819
Primary Purpose: PRO 72-12-1 PROSPECTING OR DEVELOPMENT OF NATURAL RESOURCE
Primary Status: PMT PERMIT
Total Acres:
Total Diversion: 0
Owner: UNION OIL CO. OF CALIFORNIA

Documents on File

	Doc	File/Act	Status 1	2	3	Transaction Desc.	From/To	Acres	Diversion	Consumptive
get images	72121	1958-02-28	PMT	LOG	ABS	C 00819	T			3

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Source	Q Q Q 64 16 4	Sec	Tws	Rng	X	Y	Other Location Desc
C 00819	Shallow	4 4	26	24S	26E	570022	3560935*	

***An (*) after northing value indicates UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Point of Diversion Summary

POD Number	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest) Q64	Q16	Q4	Sec	Tws	Rng	(NAD83 UTM in meters) X	Y
C 00819	4	4		26	24S	26E	570022	3560935*

Driller License: BARRON, EMMETT
Driller Name: EMMETT BARRON

Drill Start Date:	02/23/1958	**Drill Finish Date:**	02/25/1958	**Plug Date:**	
Log File Date:	03/25/1958	**PCW Rcv Date:**		**Source:**	Shallow
Pump Type:		**Pipe Discharge Size:**		**Estimated Yield:**	
Casing Size:		**Depth Well:**	62 feet	**Depth Water:**	42 feet

Water Bearing Stratifications:	Top	Bottom	Description
	42	62	Sandstone/Gravel/Conglomerate

***UTM location was derived from PLSS - see Help**

Pro-Kem, Inc.
WATER ANALYSIS REPORT

SAMPLE

Oil Co. : **Murchinson**
Lease : **Ogden**
Well No.: **5A**
Location:
Attention: RAMSEY

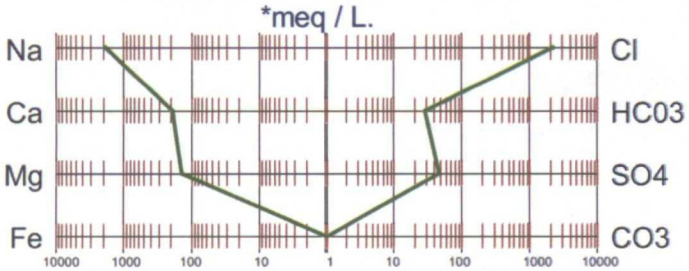
Date Sampled : **16-March-2012**
Date Analyzed: **22-March-2012**
Lab ID Number: **Mar2212.001- 2**
Salesperson :
File Name : **Mar2212.001**

ANALYSIS

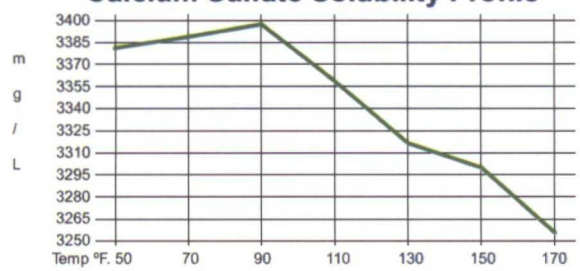
1.	Ph		**7.800**		
2.	Specific Gravity 60/60 F.		**1.083**		
3.	CACO3 Saturation Index	@ 80F	**1.998**	**Severe**	
		@140F	**2.878**	**Severe**	

	Dissolved Gasses			**MG/L.**	**EQ. WT.**	***MEQ/L**
4.	Hydrogen Sulfide			**1000**		
5.	Carbon Dioxide			**0**		
6.	Dissolved Oxygen			**Not Determined**		
	Cations					
7.	Calcium	(Ca++)		**3,687**	/ 20.1 =	**183.43**
8.	Magnesium	(Mg++)		**1,653**	/ 12.2 =	**135.49**
9.	Sodium	(Na+)	(Calculated)	**41,628**	/ 23.0 =	**1,809.91**
10.	Barium	(Ba++)		**Below 10**		
	Anions					
11.	Hydroxyl	(OH-)		**0**	/ 17.0 =	**0.00**
12.	Carbonate	(CO3=)		**0**	/ 30.0 =	**0.00**
13.	Bicarbonate	(HCO3-)		**1,665**	/ 61.1 =	**27.25**
14.	Sulfate	(SO4=)		**2,150**	/ 48.8 =	**44.06**
15.	Chloride	(Cl-)		**72,984**	/ 35.5 =	**2,055.89**
16.	Total Dissolved Solids			**123,767**		
17.	Total Iron	(Fe)		**6.00**	/ 18.2 =	**0.33**
18.	Manganese	(Mn++)		**Not Determined**		
19.	Total Hardness as CaCO3			**16,014**		
20.	Resistivity @ 75 F. (Calculated)			**0.064** Ohm · meters		

LOGARITHMIC WATER PATTERN



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	*meq/L	X	EQ. WT.	=	mg/L.
Ca(HCO3)2	**27.25**		81.04		**2,208**
CaSO4	**44.06**		68.07		**2,999**
CaCl2	**112.13**		55.50		**6,223**
Mg(HCO3)2	**0.00**		73.17		**0**
MgSO4	**0.00**		60.19		**0**
MgCl2	**135.49**		47.62		**6,452**
NaHCO3	**0.00**		84.00		**0**
NaSO4	**0.00**		71.03		**0**
NaCl	**1,808.27**		58.46		**105,711**

* milliequivalents per Liter

Tony Abernathy, Analyst

Pro-Kem, Inc.
WATER ANALYSIS REPORT

SAMPLE

Oil Co. : **Murchinson**
Lease : **Ogden**
Well No.: **9H**
Location:
Attention: Sherry Canyon

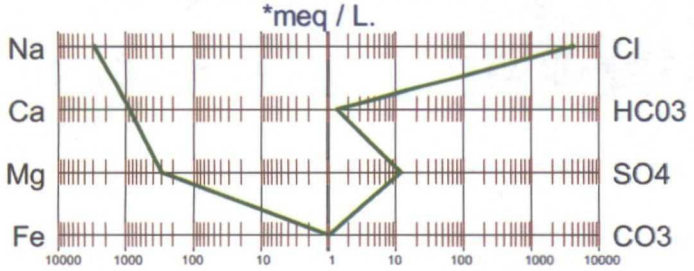
Date Sampled : **16-March-2012**
Date Analyzed: **22-March-2012**
Lab ID Number: **Mar2212.001- 3**
Salesperson :
File Name : **Mar2212.001**

ANALYSIS

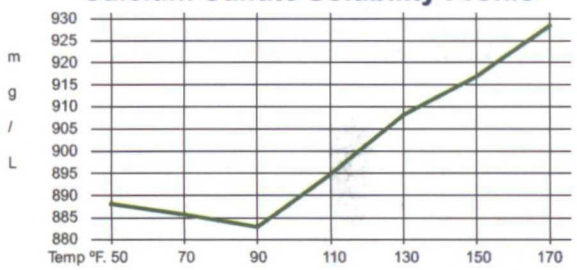
1.	Ph			**5.800**	
2.	Specific Gravity 60/60 F.			**1.163**	
3.	CACO3 Saturation Index	@ 80F		**0.244**	**Mild**
		@140F		**2.004**	**Severe**

	Dissolved Gasses			MG/L.	EQ. WT.	*MEQ/L
4.	Hydrogen Sulfide			**0**		
5.	Carbon Dioxide			**400**		
6.	Dissolved Oxygen			**Not Determined**		
	Cations					
7.	Calcium	(Ca++)		**16,834**	/ 20.1 =	**837.51**
8.	Magnesium	(Mg++)		**3,452**	/ 12.2 =	**282.95**
9.	Sodium	(Na+)	(Calculated)	**63,919**	/ 23.0 =	**2,779.09**
10.	Barium	(Ba++)		**Not Determined**		
	Anions					
11.	Hydroxyl	(OH-)		**0**	/ 17.0 =	**0.00**
12.	Carbonate	(CO3=)		**0**	/ 30.0 =	**0.00**
13.	Bicarbonate	(HCO3-)		**78**	/ 61.1 =	**1.28**
14.	Sulfate	(SO4=)		**550**	/ 48.8 =	**11.27**
15.	Chloride	(Cl-)		**137,969**	/ 35.5 =	**3,886.45**
16.	Total Dissolved Solids			**222,802**		
17.	Total Iron	(Fe)		**6.50**	/ 18.2 =	**0.36**
18.	Manganese	(Mn++)		**Not Determined**		
19.	Total Hardness as CaCO3			**56,250**		
20.	Resistivity @ 75 F. (Calculated)			**0.001** Ohm · meters		

LOGARITHMIC WATER PATTERN



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	*meq/L	X	EQ. WT.	=	mg/L.
Ca(HCO3)2	**1.28**		81.04		**103**
CaSO4	**11.27**		68.07		**767**
CaCl2	**824.97**		55.50		**45,786**
Mg(HCO3)2	**0.00**		73.17		**0**
MgSO4	**0.00**		60.19		**0**
MgCl2	**282.95**		47.62		**13,474**
NaHCO3	**0.00**		84.00		**0**
NaSO4	**0.00**		71.03		**0**
NaCl	**2,778.53**		58.46		**162,433**

* milliequivalents per Liter

Tony Abernathy, Analyst

Murchison Oil and Gas

Southern Eddy County New Mexico

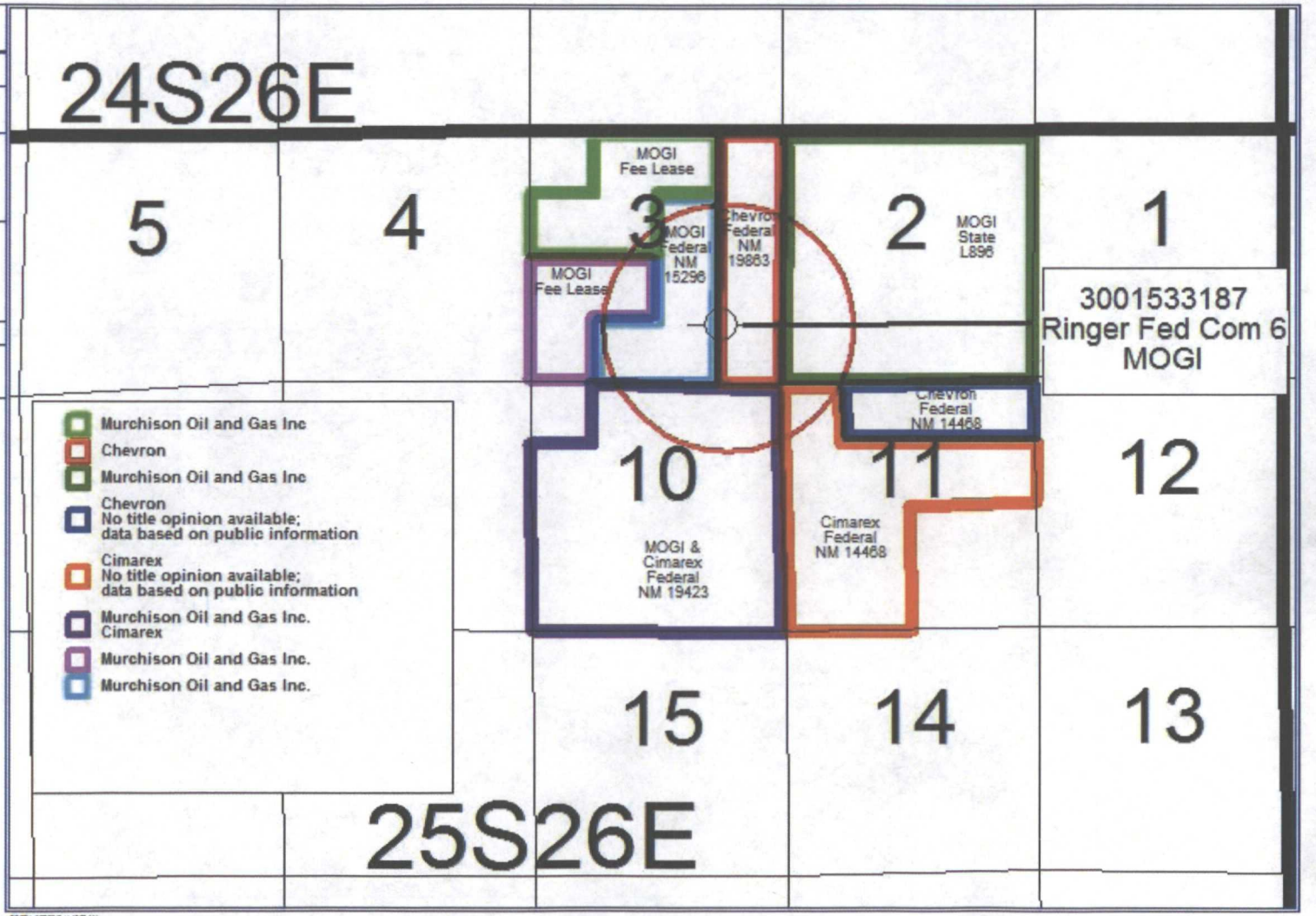
SWD Ringer #6

0 307 614 921 1,228 1,535 1,842
METERS

WELL SYMBOLS
Dry Hole

By: Amanda Wood

June 27, 2012



UNITED STATES POSTAL SERVICE

Date Produced: 05/21/2012

WALZ CERTIFIED MAIL SOLUTIONS LLC

The following is the delivery information for Certified Mail™ item number 7196 9008 9040 0936 2124. Our records indicate that this item was delivered on 05/17/2012 at 12:25 p.m. in CARLSBAD, NM, 88220. The scanned image of the recipient information is provided below.

Signature of Recipient:

Delivery Section

Heather Shatz

Address of Recipient:

620 E. Greene

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

TO: Carlsbad Field Office
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220-6292

SENDER:

REFERENCE: Ringer #6 SWD Notice

7196 9008 9040 0936 2124

PS Form 3800, January 2005

Postage	0.45
Certified Fee	2.95
Return Receipt Fee	1.15
Restricted Delivery	0.00
Total Postage & Fees	4.55

RETURN RECEIPT SERVICE

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

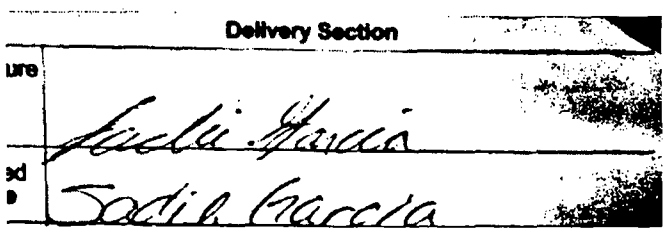
UNITED STATES POSTAL SERVICE

Date Produced: 05/21/2012

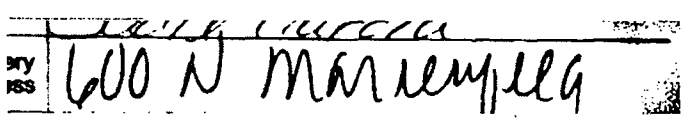
WALZ CERTIFIED MAIL SOLUTIONS LLC

The following is the delivery information for Certified Mail™ item number 7196 9008 9040 0936 2438. Our records indicate that this item was delivered on 05/17/2012 at 12:26 p.m. in MIDLAND, TX, 79701. The scanned image of the recipient information is provided below.

Signature of Recipient:



Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

TO: Cimarex Energy Co. of CO
600 N Marienfeld St
Suite 600
Midland, TX 79701

SENDER:

REFERENCE: Ringer #6 SWD Notice

7196 9008 9040 0936 2438

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	0.45
	Certified Fee	2.95
	Return Receipt Fee	1.15
	Restricted Delivery	0.00
	Total Postage & Fees	4.55

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Section XIII and XIV - Proof of Notice

1. Surface Owner :

   Bureau of Land Management
   620 E. Green St.
   Carlsbad, NM 88220-6292
   Certified Mail Number 7196 9008 9040 0936 2124

TO: Carlsbad Field Office
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220-6292

SENDER:

REFERENCE:
Ringer #6 SWD Notice

7196 9008 9040 0936 2124

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	0.45
	Return Receipt Fee	2.95
	Restricted Delivery	1.15
	Total Postage & Fees	0.00
		4.55

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

2. Leasehold Operators within ½ mile:

   Cimarex Energy Co. of Colorado
   600 N. Marienfeld St., Ste. 600
   Midland, TX 79701
   Certified Mail Number 7196 9008 9040 0936 2438

TO: Cimarex Energy Co. of CO
600 N Marienfeld St
Suite 600
Midland, TX 79701

SENDER:

REFERENCE:
Ringer #6 SWD Notice

7196 9008 9040 0936 2438

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	0.45
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	Restricted Delivery	1.15
	Total Postage & Fees	0.00
		4.55

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

3. Affidavit of Publication - attached

CARLSBAD CURRENT ARGUS
LEGAL NOTICE

Murchison Oil & Gas, Inc., 1100 Mira Vista Blvd., Plano, TX 75093 is filing an Application for Authorization to Inject (Oil Conservation Division Form C-108) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Ringer Federal Com No. 6 is located 1250 ft FSL and 1250 ft FEL of Section 3, T-25-S, R-26-E, NMPM Eddy County, NM. The source of the disposal water will be wells in the area operated by Murchison that produce from the Delaware, Strawn, Bone Springs, Morrow, Atoka and Wolfcamp formations. The disposal water will be injected into the Devonian formation of the Devonian system at a depth interval of 12850ft to 13700ft at a maximum injection pressure of 3043 PSI (subject to increase after Division approved testing) and a maximum rate of 5000 BWPD. Any interested party with questions or comments may contact Jack Rankin at Murchison Oil & Gas, Inc., 1100 Mira Vista Blvd., Plano, TX 75093 or call 972-931-0700. Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Dr., Santa Fe, NM 87505, within fifteen days of the date of the publication of this notice.

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn, on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

May 9 2012

That the cost of publication is **$65.40** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

Subscribed and sworn to before me this

14th day of May, 2012

Shirley Maxwell

My commission Expires on May 18, 2015

Notary Public

OFFICIAL SEAL
Shirley Maxwell
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires 5/18/15

May 9, 2012

CARLSBAD CURRENT ARGUS
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Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, June 12, 2012 5:12 PM
To: 'mdaugherty@jdmii.com'
Cc: Ezeanyim, Richard, EMNRD; 'Wesley_Ingram@blm.gov'; Shapard, Craig, EMNRD
Subject: Disposal application from Murchison Oil & Gas, Inc.: Ringer Federal #6 30-015-33187 Devonian from 12850 to 13700 feet
Attachments: EddyNM_NASH_53_SWD.pdf

Hello Mr. Daugherty and Mr. Rankin:
Reviewed this application for disposal and have a few minor requests,

a. Please send a wellbore diagram as the well exists today (pre-conversion) before being re-entered and deepened.
b. Please send a copy of a Midland (or equivalent) map with one half mile circle drawn from this well location. The map should show any wells drilled within that distance around this well.
c. I did not find any Area of Review wells drilled to Devonian depths within ½ mile – is that correct?
d. Send another map (or legal descriptions of acreages) showing identically owned tracts and note all lessee's or owners of those tracts. This should be for owners of Devonian depths. Example is attached.
e. The two water analysis sent – what formation(s) were being sampled?
f. Send an analysis of fresh water from as close as possible to this well site. I won't hold this permit up based on that – but we can add it later to the application file.
g. At what date(s) were the BLM and Cimarex notified? Didn't see dates on the proof of notice.
h. The permit will require some sort of hydrocarbon evaluation of the Devonian formation you plan to drill through – do you have already a plan on how to do this? Mudlog, etc?

Thank You for this application,

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462

MURCHISON OIL & GAS, INC.

June 27, 2012

Mr. William Jones
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Ringer Federal Com #6 (30-015-33187)
Sec. 3, T25S, R26E, Eddy County, NM
SWD Administrative Application - Additional Information

Mr. Jones:

In response to your email dated June 12th, please find the following:

a. Wellbore diagram of the existing well attached.
b. Map of wells drilled within ½ mile radius attached. The only well within the ½ mile radius was completed in the Wolfcamp formation, Sage Draw Pool (Ringer Fed Com 12, 30-015-39760).
c. There have been no wells drilled to the Devonian within the ½ mile radius.
d. Map showing lease ownership within the ½ mile radius attached.
e. The Ogden 5A water analysis is from the Ramsey Sand and the Ogden 9H water analysis is from the Cherry Canyon formation.
f. We plan to take a water sample from water well C01089 and take it to Cardinal Laboratories in Hobbs. We will forward the report upon receipt.
g. The BLM and Cimarex received notification on May 17, 2012. Copies of the signed return receipts are attached.
h. A copy of the drilling program is attached. A two man mud logging unit will be operating from 8,553' to TD to determine if hydrocarbons are present (Page 3,6B).

Please contact me at 972-931-0700 ext. 110 or mdaugherty@jdmii.com, if you have any questions or need additional information.

Sincerely,

Michael S. Daugherty
COO

Enclosures

Injection Permit Checklist (11/15/2010)

WFX____ PMX____ SWD 1343 Permit Date 7/5/12 UIC Qtr (J/A/S)

Wells 1 Well Name(s): RINGER Fed #1

API Num: 30-0 15-33187 Spud Date: 4/5/2004 New/Old: N (UIC primacy March 7, 1982)

Footages 1250 FSL / 1250 FEL Unit P Sec 3 Tsp 25S Rge 26E County EDDY

General Location: 3mi SE of WHITE CITY

Operator: MURCHISON OIL & GAS, INC Contact Jack Rankin OR Michael S. Dougherty

OGRID: 15363 RULE 5.9 Compliance (Wells) 1/1 (Finan Assur) OC IS 5.9 OK? OK

Well File Reviewed ✓ Current Status: Dry Hole Gas well attempt (DRLG PLUGGED)

Planned Work to Well: RE-Enter / Deepen / Run 5½" CSG/SLOTTED Liner

Diagrams: Before Conversion ___ After Conversion ✓ Elogs in Imaging File: ✓ No Deep Logs yet in WOLFC

Well Details:	Sizes Hole.....Pipe	Setting Depths	Stage Tool	Cement Sx or Cf	Determination Method
New __Existing ✓ Surface	17½ 13 3/8	~~Circ~~ 350	—	400 SX	CIRC
New__Existing ✓ Interm	12¼ 9 5/8	1,970 (4	—	750 SX	CIRC
New__Existing ✓ LongSt	8 3/4 7 5/8	8553		1,227 SX	CIRC ~~CIRC~~ SQZ @400
New ✓ Existing __ ~~Liner~~	6½ 5½	12,850'			
New__Existing __ ~~OpenHole~~	~~5¾~~ 5½	12850 – 13700	SLOTTED CASING		

Depths/Formations:	Depths, Ft.	Formation	Tops?
Formation(s) Above	12810	Dev.	✓
Injection TOP:	12850	Dev	Max. PSI ~~2570~~ 2570 ~~OpenHole~~ SLOTTED Casing Perfs
Injection BOTTOM:	13700	Dev	Tubing Size 3½ (NYLON) Packer Depth 12830'
Formation(s) Below	13810	Montoya	✓

12850 / 2570

Capitan Reef? ~~(Potash? Noticed?)~~ [WIPP? ~~Noticed?~~] Salado Top/Bot (350 – 1687) ~~Cliff House?~~

Fresh Water: Depths 47-180' Formation alluvium Wells? ~~None~~ Analysis? ✓ Affirmative Statement____

Disposal Fluid Analysis? ✓ Sources: Del / BS / Morr / Atoka / Strn / WC

Disposal Interval: Analysis? ✓ Production Potential/Testing:

Notice: Newspaper Date 5/9/12 Surface Owner BLM Date 5/22/12 Mineral Owner(s)

RULE 26.7(A) Affected Persons: Chevron (when) Tract Map ✓

AOR: ~~Maps?~~ ✓ Well List? ✓ Producing in Interval? NO Wellbore Diagrams? —

.....Active Wells 0 Repairs? — WhichWells? —

.....P&A Wells 0 Repairs? — Which Wells? —

Issues: Request Sent ____ Reply: ____