

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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@jdmlii.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 Drilling Operations |
| | <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 | |

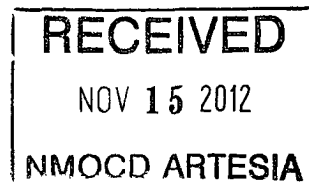
13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

1/7/12 - 1/10/12 - Drilled 12-1/4 in. hole to 2,658 ft. & ran 9-5/8 in casing as follows

1 Float Shoe - 2 ft
1 Jt 9-5/8 in. 36# J-55 ST&C - 43 ft.
1 Float Collar - 2 ft.
62 Jts. 9-5/8 in. 36# J-55 ST&C - 2,615 ft
Total - 2,662 ft.

Set casing @ 2,658 ft.

1/11/12 - Cement. Lead w/740 SXS Econocem-HLC w/3% salt + 5 lb/sk gilsonite; 12 9 ppg, 1.85 yield,



| | |
|--|---------------------------------|
| 14 I hereby certify that the foregoing is true and correct Electronic Submission #128247 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 01/17/2012 (12KMS0703SE) | |
| Name (Printed/Typed) DARRICK STALLINGS | Title VICE PRESIDENT OPERATIONS |
| Signature (Electronic Submission) | Date 01/16/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------------------|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISOR EPS | Date 01/21/2012 |
| 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 |

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.

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

Additional data for EC transaction #128247 that would not fit on the form

32. Additional remarks, continued

244 bbls. Tail w/240 SXS HalCem-C + 2% CaCl, 14.8 ppg, 1.34 yield, 57 bbls Displaced with 198 bbls fresh water. Circ 93 bbls (282 SXS) cmt to pit. Plug down. Cut off 9-5/8 in. csg, weld on wellhead Nipple up BOP and test to 250 psi low and 5000 psi high. Test annular to 250 psi low and 2500 psi high. Held OK. Trip in hole w/ 8-3/4 in. bit. Test csg to 1200 psi. WOC total of 21.5 hrs. Drill cement & float collar & shoe.

1/12/12 - Resume drilling formation at 2,658 ft.