

RECEIVED SEP 28 2009

Form C-103

June 19, 2008

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. <i>Nearest Well: 30-015-30953</i>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5557
7. Lease Name or Unit Agreement Name CARBON VALLEY FRAC PIT
8. Well Number
9. OGRID Number 015363
10. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other FRESH WATER FRAC PIT

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

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

4. Well Location
 Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line
 Section 25 Township 16S Range 27E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

OTHER: FRESH WATER FRAC PIT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Murchison Oil & Gas, Inc. hereby request permission to construct a 250x250 fresh water frac pit in the SE/4 of Sec. 25, T16S, R27E at the location described on the attached survey plat.

Spud Date:

Rig Release Date:



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Tommy Folsom* TITLE Operations Manager DATE 9/28/2009

Type or print name Tommy Folsom E-mail address: tommyfolsom@valornet.com PHONE: (575) 628-3932

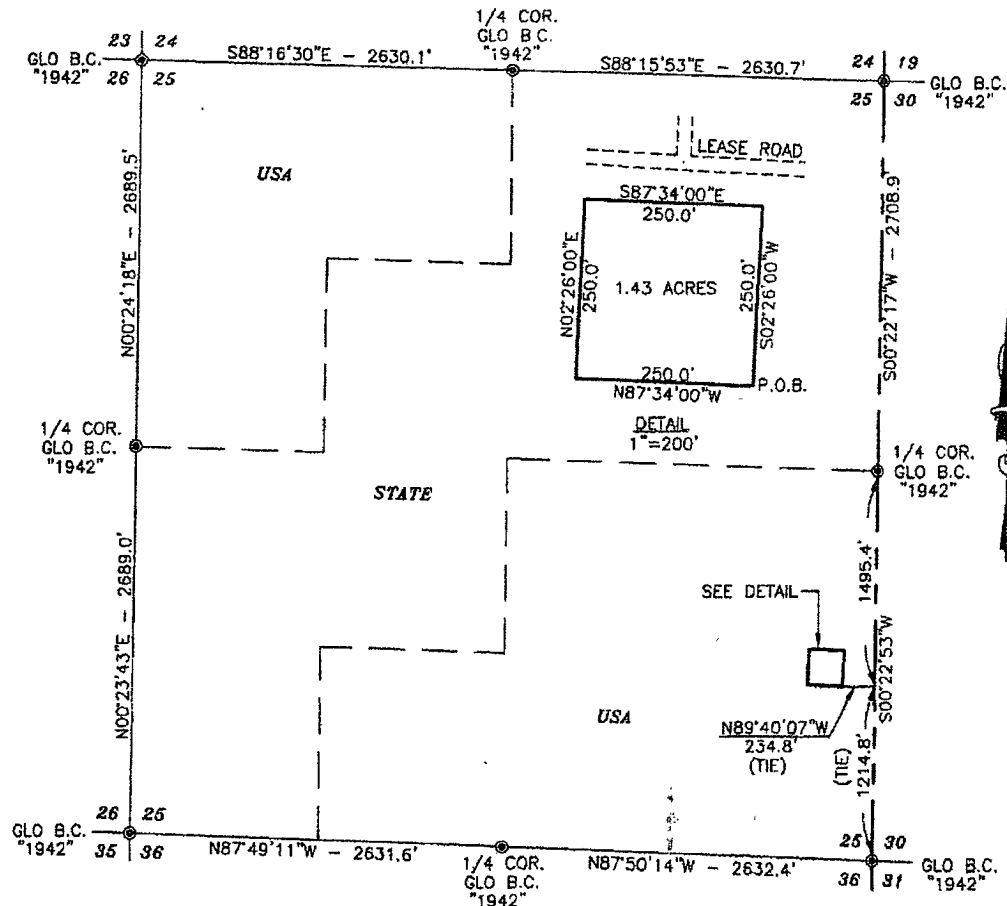
For State Use Only

Signed By *Mike Benavides*

APPROVED BY: _____ TITLE ENR. SPEC DATE SEP 28 2009

Conditions of Approval (if any):

SECTION 25, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DESCRIPTION

A TRACT OF LAND SITUATED IN THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 16 SOUTH, RANGE 27 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THIS TRACT WHICH LIES N00°22'53\"E ALONG THE EAST LINE OF SAID SECTION A DISTANCE OF 1214.8 FEET AND N89°40'07\"W 234.8 FEET FROM THE SOUTHEAST CORNER OF SECTION; THEN N87°34'00\"W 250.0 FEET; THEN N02°26'00\"E 250.0 FEET; THEN S87°34'00\"E 250.0 FEET; THEN S02°26'00\"W 250.0 FEET TO THE POINT OF BEGINNING AND CONTAINING 1.43 ACRES MORE OR LESS.

NOTE: BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM \"NEW MEXICO EAST ZONE\" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

RECEIVED
3230
RONALD J. EIDSON No. 3239

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

1000 0 1000 2000 FEET
Scale: 1\"=1000'

MURCHISON OIL & GAS, INC.

SURVEY OF A TRACT OF LAND FOR A FRAC PIT IN
SECTION 25, TOWNSHIP 16 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 9/17/09	Sheet 1 of 1 Sheets
W.O. Number: 09.11.0850	Drawn By: LA
Date: 9/21/09	09110850



September 22, 2009

Mr. Lewis Derrick
Bogle Farms
P. O. Box 460
Dexter, NM 88230

Re: Frac Reservoir
Carbon Valley 25 Fed Com #4H
Eddy County, NM

Dear Lewis:

This letter is to advise that we are surveying locations for a **fresh water** Frac Reservoir to be located in the SE/4 of Section 25, T16S, R27E, Eddy County, NM, where our records indicate you are the grazing lessee on Federal (BLM) owned surface.

The actual location of this reservoir is being finalized with proper authorities, but will more than likely be located between our current surface location of the well now drilling and the existing Carbon Valley Fed Com # 1.

If you have any questions or need to discuss any of the above, please do not hesitate to contact me at 432-634-7463 or Tommy Folsom at 575-706-0667.

Respectfully,

MURCHISON OIL & GAS, INC.

Mike S. Heathington

Mike S. Heathington
Land Manager

RE

/MH/CarbonValleyFedCom4H-Bogle-FWFracReservoir