

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIAFORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. SHL: NMNM 104676 BHL: NMNM 121							
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resv.		6. If Indian, Allottee or Tribe Name N/A							
Other: _____		7. Unit or CA Agreement Name and No. N/A							
2. Name of Operator MURCHISON OIL & GAS, INC.		8. Lease Name and Well No. CARBON VALLEY 31 FED COM #1H							
3. Address 1100 MIRA VISTA BLVD. PLANO, TX 75093-4698		9. API Well No. 30-015-37603							
4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface 1980' FSL & 200' FEL, UNIT I At top prod. interval reported below 1987' FSL & 542' FEL, UNIT I At total depth 2191' FSL & 376' FWL, UNIT L		10. Field and Pool or Exploratory DOG CANYON; WOLFCAMP							
14. Date Spudded 05/26/2010		11. Sec., T., R., M., or Block and Survey or Area SEC. 31, T16S, R28E							
15. Date T.D. Reached 06/23/2010		12. County or Parish EDDY							
16. Date Completed 08/04/2010 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		13. State NM							
17. Elevations (DF, RKB, RT, GL)*									
18. Total Depth: MD 11050' TVD 6454'		20. Depth Bridge Plug Set: MD N/A TVD N/A							
19. Plug Back T.D.: MD TVD		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy)							
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Litho-Density Compensated Neutron/GR & Hi-Res Laterolog Array Micro-CFL/GR									
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer. Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"J-55	36#	SURF	1310'	N/A	700 sxs CL C	204	SURF	
8-3/4"	7"HCP-110	26#	SURF	5939'	N/A	1370 sxs CL H	355	SURF	
6-1/8"	4-1/2" HCP-110	11#6#	5820'	10980'	N/A	Peak OH Com	N/A	N/A	
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-7/8"	5804'	TAC 5675'							
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) WOLFCAMP	6638'	11050'	6638' - 11050'		11-Stage	Open			
B)					System				
C)									
D)									
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
6638' - 11050'		Frac w/1,148,280 #30/50 Premium White sand plus 1748 bbls 20% NEFE acid plus 34786 bbls SilverStim LT-R(21) gel + 3986 bbls treated water (See attached detail by stage)							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/04/10	08/05/10	24	→	109	151	448	42.8	0.91	Pumping
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
N/A	200	70	→	109	151	448	1385	Producing	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
SI			→						

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD
OCT - 8 2010
/s/ Roger Hall
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

JW

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD - DCP MIDSTREAM

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WOLFCAMP	6538	6582	DOLOMITE; OIL/GAS	YATES	275
				QUEEN	1029
				SAN ANDRES	1830
				GLORIETA	3204
				ABO	5270
				WOLFCAMP	6538

32. Additional remarks (include plugging procedure):

FRACTURE DETAILS ATTACHED

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
- ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) A. Arnold Nall

Title Vice President Operations

Signature

Date 08/23/2010

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.

(Continued on page 3)

(Form 3160-4, pa

**Carbon Valley 31 Fed Com #1H
Fracture Detail**

Stage	Top (ft)	Bottom (ft)	20% NEFE Acid (gal)	Treated Water (gal)	SilverStim Lt-R21 (gal)	30/50 Premium White Sand (lbs)	Load to Recover (gal)
1	10,792	11,050	5,000	16,295	75,735	20,170	103,311
2	10,448	10,792	5,000	15,170	69,458	12,356	90,529
3	10,098	10,447	5,000	14,984	138,746	126,578	158,673
4	9,667	10,098	5,000	15,204	141,769	126,965	161,808
5	9,235	9,667	5,000	14,984	144,049	127,874	163,932
6	8,806	9,235	5,000	14,979	170,866	129,588	190,844
7	8,254	8,806	10,000	15,419	154,487	131,535	190,844
8	7,778	8,254	6,000	15,306	97,949	50,627	129,423
9	7,342	7,778	10,500	16,000	151,263	141,710	177,651
10	6,990	7,342	9,500	15,065	165,914	135,709	190,481
11	6,638	6,990	7,400	14,022	150,778	145,168	182,095
Total			73,400	167,428	1,461,014	1,148,280	1,739,591
Barrels			1,748	3,986	34,786		41,419