

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

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

2 Name of Operator
Murchison Oil and Gas

3a Address
1100 Mira Vista Blvd, Plano, Tx, 75093

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

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

Sec. 11, T17S, R28E, Lot P, 1115' FSL & 150' FEL

5 Lease Serial No
SHL: VO-4990 BHL: NMLC-068712

6 If Indian, Allottee or Tribe Name
N/A

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

8 Well Name and No
Mudcat Federal Com #2H

9 API Well No
30-015-40617

10 Field and Pool, or Exploratory Area
Empire; Glorietta-Yeso

11 County or Parish, State
Eddy

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 type="checkbox"/> Other
	<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 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.)

We respectfully submit this Sundry notice of intent to have Section 4 subsection c) of the drilling prognosis submitted to be changed from having a BOP test requirement of every 14 days to every 30 days as per Onshore Order 2.

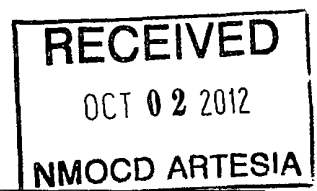
As well we request to change the choke manifold, BOP stack, and rig layout. See attached schematics.

We request to use a coflex hose to go from the BOP stack to the Choke Manifold. See attached Hydrotest, and anchor requirements.

Accepted for record
NMOCD

TES
10/2/2012

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



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

Steve Morris

Title **Drilling Engineer**

Signature

Date

09/24/2012

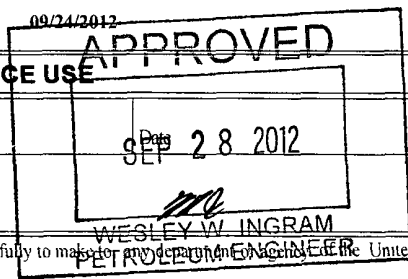
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

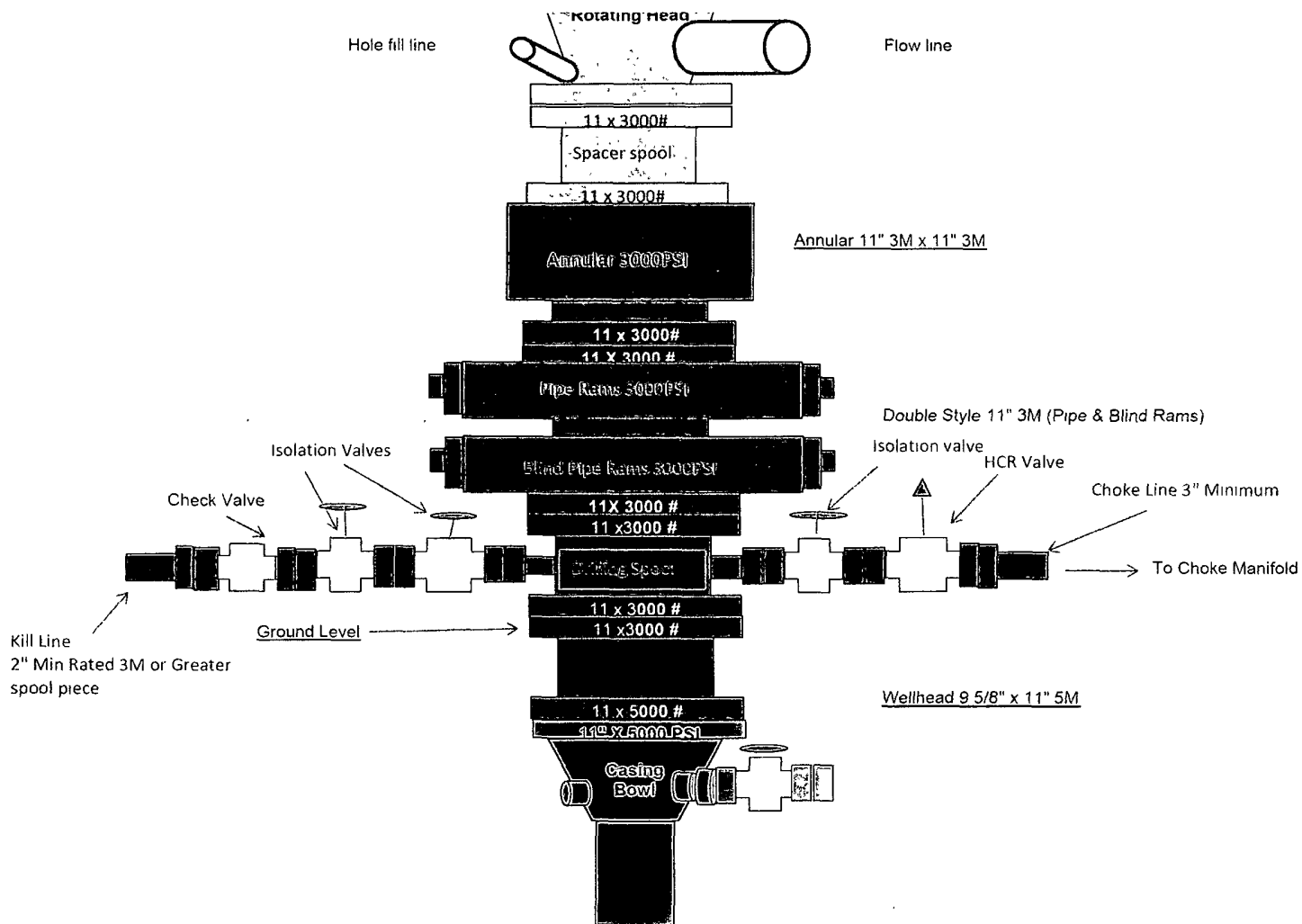
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

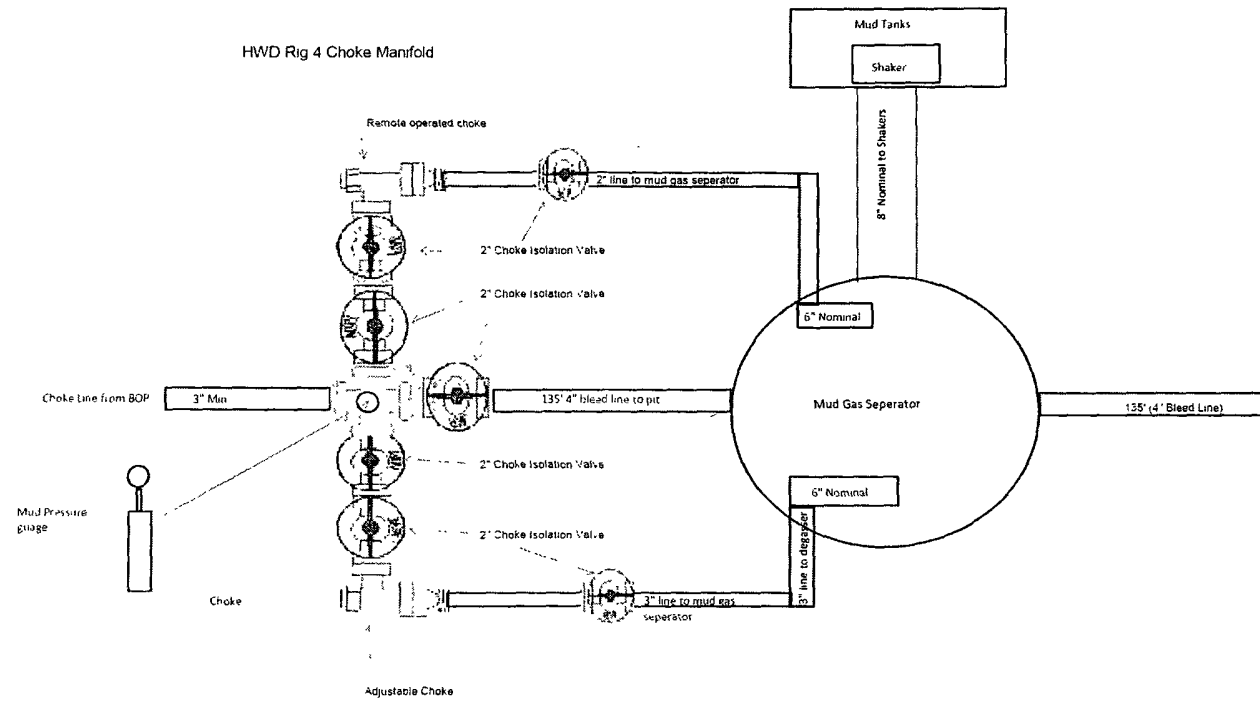


Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make or cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

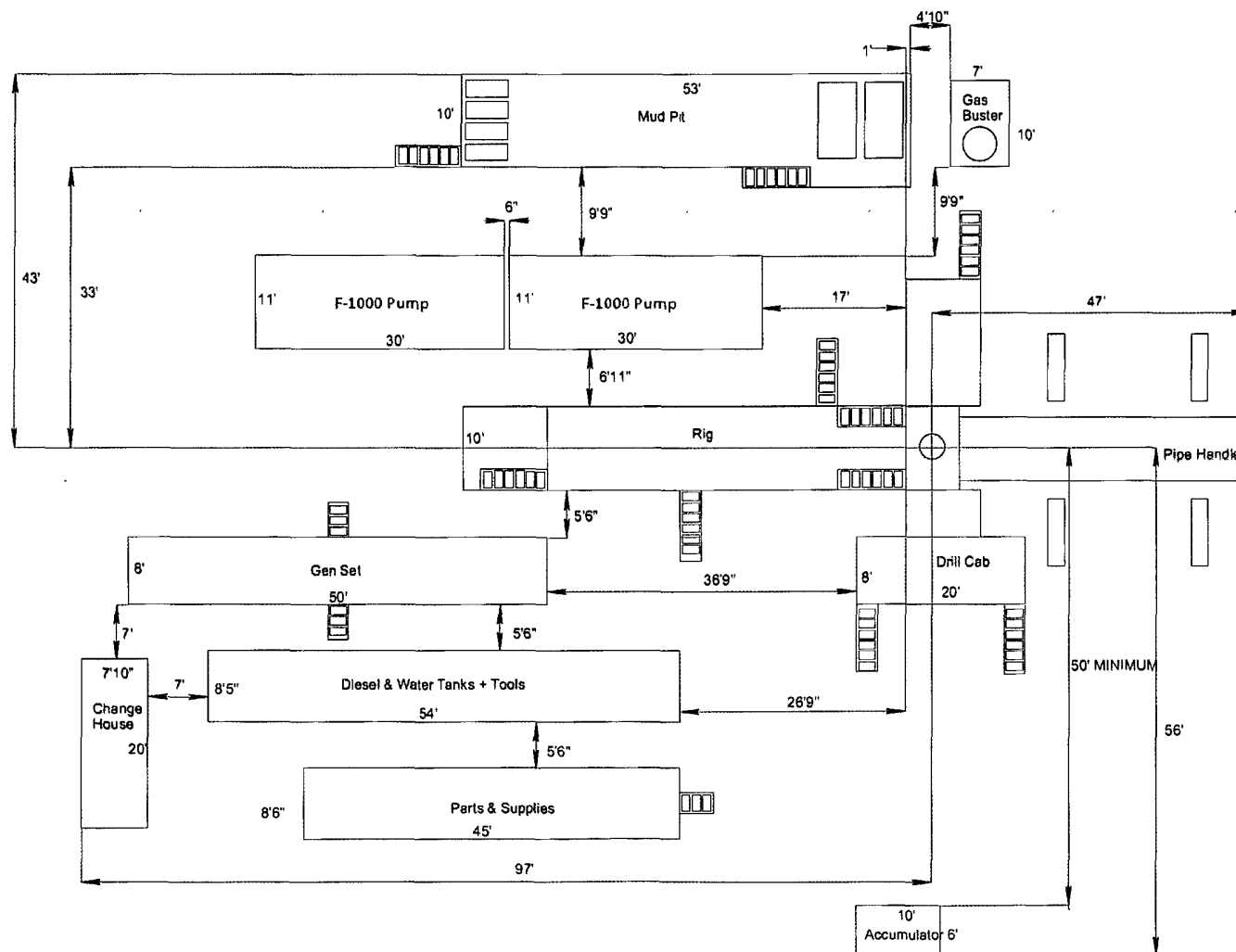
(Instructions on page 2)



HWD Rig 4 Choke Manifold

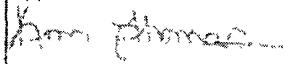


HWD Rig 4 Layout **Overall Dimensions 99' x 144'**





Midwest Hose
& Specialty, Inc.

INTERNAL HYDROSTATIC TEST CERTIFICATE		
Customer: HWD		Customer P.O. Number: RIG#4 92112-11
HOSE SPECIFICATIONS		
Type: Rotary / Vibrator Hose D / API 7K	Hose Length: 173 IN	
I.D. 4 INCHES	O.D. 5.87 INCHES	
WORKING PRESSURE 5,000 PSI	TEST PRESSURE 5,000 PSI	BURST PRESSURE N/A PSI
COUPLINGS		
Part Number E4.0X64WB E4.0X64WB	Stem Lot Number 2Q11LOT1 2Q11LOT1	Ferrule Lot Number NQ745 NQ745
Type of Coupling: Swage-It	Die Size: 6.38 INCHES	
PROCEDURE		
<i>Hose assembly pressure tested with water at ambient temperature.</i>		
TIME HELD AT TEST PRESSURE 11 1/4 MIN		ACTUAL BURST PRESSURE: N/A PSI
Hose Assembly Serial Number: 170980		Hose Serial Number: 8268
Comments:		
Date: 9/21/2012	Tested:	Approved: 



Midwest Hose
& Specialty, Inc.

Internal Hydrostatic Test Graph

September 21, 2012

Customer: Hwd

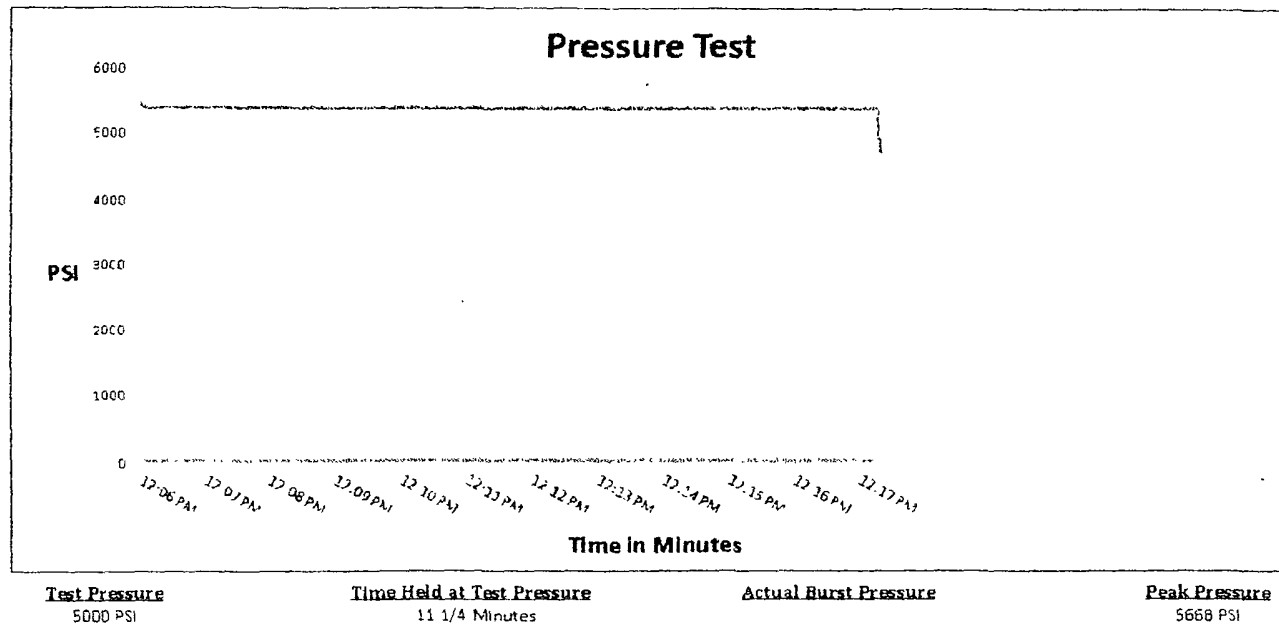
Pick Ticket #: 170980

Hose Specifications

<u>Hose Type</u>	<u>Length</u>
D	173"
<u>I.D.</u>	<u>O.D.</u>
4"	5.87"
<u>Working Pressure</u>	<u>Burst Pressure</u>
5000 PSI	Standard Safety Multiplier Applies

Verification

<u>Type of Fitting</u>	<u>Coupling Method</u>
41/16 5K	Swage
<u>Die Size</u>	<u>Final O.D.</u>
6 38"	6.45"
<u>Hose Serial #</u>	<u>Hose Assembly Serial #</u>
6268	170980



Comments: Hose assembly pressure tested with water at ambient temperature.

Tested By: Donnie McLernore

Approved By: Kim Thomas

[Signature]

[Signature]

Flex line anchor requirements

The recommendation for anchoring this assembly is to attach a safety clamp on the mid-section of the hose and anchor to the sub-floor on the rig. This same information has been discussed with Mr. Zeno Ferris with Cimarex Energy Company.

If any further information is needed, please feel free to contact me at 1-800-375-2358

Best Regards,

W. Harvey Sparkman
President

Mudcat Federal Com 2H
30-015-40617
Murchison Oil and Gas
September 28, 2012
Conditions of Approval

1. Approved to change the BOP/BOPE test interval to 30 days between tests. In addition, Onshore Order 2.III.A.2.i requirements shall still be followed. Pursuant to the APD, two BOP tests will be performed. Operator shall contact BLM prior to each BOP test and provide adequate time for an inspector to arrive for witness of same.
2. BOP and choke manifold approved as presented.
3. Rig layout approved as long as no additional surface disturbance occurred due to the change.
4. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements (i.e. operator shall install Midwest Hose & Specialty, Inc. approved hose safety clamp on the mid-section of the hose and connect to the sub-floor). The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

WWI 092812