

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.

5. Lease Serial No.
NMNM34461

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
MURCHISON OIL & GAS INC
Contact: CINDY COTTRELL
E-Mail: ccottrell@dmii.com

3a. Address
LEGACY TOWER ONE 7250 DALLAS PKY, STE 1400
PLANO, TX 75024

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 21 T18S R29E NESE 1565FSL 175FEL
32.434802 N Lat, 104.041832 W Lon

8. Well Name and No.
WAR HORSE FEDERAL COM 4H

9. API Well No.
30-015-43334-00-X1

10. Field and Pool, or Exploratory
WILDCAT

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 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A PD
	<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 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.)

Pending NMOCD approval of the C-144 Permit application, Murchison Oil and Gas plans to change from a closed-loop/haul-off protocol for drilling waste management (solids and liquids) to a temporary pit with on-site burial of dry waste solids. The location of the proposed pit lies within the permitted location footprint. BLM and OCD have approved drilling pits for the nearby War Horse 1H and 3H. Murchison understands the COAs associated with the use of drilling pits and on-site burial on Federal wells.

If Murchison cannot gain OCD approval for the temporary pit, drilling of this well will proceed as currently approved for closed-loop/haul-off.

NM OIL CONSERVATION
ARTESIA DISTRICT

MAR 14 2016

Accepted for record
NMOCD

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #302218 verified by the BLM Well Information System
For MURCHISON OIL & GAS INC, sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER SANCHEZ on 11/16/2015 (16JAS1182SE)

Name (Printed/Typed) RUSTY COOPER Title ENGINEERING MANAGER

Signature (Electronic Submission) Date 05/19/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Steve Caffey Title FIELD MANAGER Date MAR 10 2016

Office CARLSBAD FIELD OFFICE

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.

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.

Conditions of Approval

Murchison shall place netting with squares no wider than 15mm (9/16") over each reserve pit.

Murchison shall line the pit with a polyethylene liner.

Murchison shall place a minimum eight-foot-high fence around the pit.

A third party biological monitor shall be present a week prior to construction in order to ensure that no active raptor nests or burrowing owls are within two hundred meters of the project location. If any active nests or burrows are found the BLM shall be notified immediately and construction shall not commence until approved by the BLM Authorized Officer.