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Form 3160-5
(August 2007)
JUN 21 2010
NMOCD ARTESIA

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
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.
SHL:LS#NMNM104676 BHL:NMNM12110
6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MURCHISON OIL & GAS, INC.

3a. Address

1100 MIRA VISTA BLVD
PLANO, TX 75093-4698

3b. Phone No (include area code)

972-931-0700

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

8. Well Name and No.
CARBON VALLEY 31 FED COM #1H

9 API Well No
30-015-37603

10. Field and Pool or Exploratory Area
DOG CANYON; WOLFCAMP

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

SHL: 1980' FSL & 200' FEL, UNIT I, SEC. 31, T16S, R28E
BHL: 1980' FSL & 330' FWL, UNIT L, SEC. 31, T16S, R28E

11 Country or Parish, State
EDDY, NM

12 CHECK THE 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 <u>Spud & Run 9-5/8" Casing</u>
	<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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Spud well @ 6 PM on 5/26/10 with 12-1/4" hole and drill to 1,310'. Run 9-5/8" casing as follows:

1 Texas Pattern Shoe 1'
1 Jt. 9-5/8" 36# J-55 ST&C 43'
1 Float Collar 1'
30 Jts. 9-5/8" 36# J-55 ST&C 1269'

Total 1314'

Set casing @ 1,310'. Cement – Lead w/500 SXS Class C Premium Plus w/4% gel + 2% CaCl – 13.5 ppg, 1.75 yield, 9.18 gal/sx. Tail w/200 SXS HalCem +2% CaCl – 14.8 ppg, 1.35 yield, 6.39 gal/sx. Displaced with 101 bbls fresh water. Bumped plug w/500 psi over (950 psi total), float held, circ 229 sx to pit. Plug down. WOC 3.25 hrs. Cut off 9-5/8" 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. WOC total of 23.75 hrs. Trip in hole w/ 8-3/4" bit and drill cement & float collar. Test pipe rams & casing to 1200 psi. Drill out casing shoe & resume drilling formation with 8-3/4" bit.

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

A. Arnold Nall

Title Vice President Operations

Signature

Date 06/02/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Date

Office

JUN 16 2010
/s/ Dustin Winkler

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(Instructions on page 2)