

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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AUG - 5 2010

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: NM NM 114347 BHL: NM NM 120349
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

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

SHL: 1980' FSL & 250' FEL, UNIT I, SEC 26, T16S, R27E
BHL: 1979' FSL & 348' FWL, UNIT I, SEC 26, T16S, R27E

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

8. Well Name and No
CARBON VALLEY 26 FED COM #1H

9 API Well No.
30-015-37683

10 Field and Pool or Exploratory Area
DOG CANYON; WOLFCAMP

11 Country or Parish, State
EDDY COUNTY, 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 Run 4.5" Casing & Completion
	<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 recomple 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)

Reached TD of 10,700' MD / 6,094' TVD on 5/19/10. Production casing was run on 5/21/10 as follows:

120 Jts. 4.5" 11.6# HCP-110 BTC 5094'

Set 4.5" casing at 10,640' MD. Peak open hole completion liner system from 5,546' to 10,640'. No cement required. Rig released on 5/22/10.

6/11/10 Completed the Wolfcamp 6,342' - 10,700'; 11 stage open hole system. Frac w/1,163,059# 30/50 Premium White sand plus 1,970 bbls 20% NEFE acid plus 4,560 bbls treated water plus 33,044 bbls SilverStim LT-R(21) gel.

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

A. Arnold Nall

Title Vice President Operations

Signature

Date 07/12/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Title

Office

JUL 30 2010

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT
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

(Instructions on page 2)

DJD

6/11