

R. T. HICKS CONSULTANTS, LTD.

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November 24, 2014

Dr. Tomáš Oberding
NMOCD District 1
1625 French Drive
Hobbs, NM 88240
VIA EMAIL

RE: Murchison – Bettis 20 State Com #3H Temporary Pit
Extension Request for Closure
Unit O, Section 20, T24S, R33E, API #30-025-41437, Pit Permit #P1-06546

Dear Dr. Oberding:

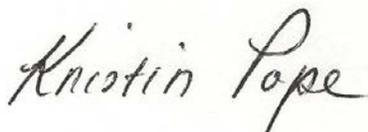
On behalf of Murchison Oil and Gas, R.T. Hicks Consultants respectfully requests a 3-month extension for the closure of the above-referenced temporary pit. The rig was released from the well on May 24, 2014 and the pit was then used to contain flow-back fluids to complete the well. Although fluid was regularly removed from the pit, extraordinary rains in the area in August and September did not allow the cuttings to dry sufficiently and prohibited sampling. Preliminary discrete sampling and visual inspections of the cuttings lead us to presume that they may have elevated hydrocarbon concentrations. On September 18, 2014, Micro-Blaze^{®1} microbial product was applied to the pit contents in an effort to increase biodegradation of hydrocarbons.

The original deadline for closure is November 24, 2014 (today). As I explained during our phone conversation on November 20, we are requesting this extension to evaluate the effectiveness efficacy of the Micro-Blaze[®] application and to sample the pit cuttings for closure criteria. We plan to sample within the next two weeks and will continue to investigate alternative treatments for hydrocarbon.

Thank you for your consideration of this request.

Sincerely,

R.T. Hicks Consultants



Kristin Pope
Project Geologist

Copy: Murchison Oil and Gas, NM State Land Office (Ed Martin)

¹ <http://www.micro-blaze.com>