

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-015-32851

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

L-1899-7

7. Lease Name or Unit Agreement Name

LONETREE 14 STATE COM

8. Well Number #1

9. OGRID Number

015445

10. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

RECEIVED

2. Name of Operator

MYCO INDUSTRIES, INC.

DEC 29 2004

3. Address of Operator

P.O. BOX 840  
ARTESIA, NM 88211-0840

ARTESIA

4. Well Location

Unit Letter O : 660' feet from the SOUTH line and 1980' feet from the EAST line

Section 14 Township 21S Range 27E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3205' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type LINED Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: 20 MIL mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: TEST ADDITIONAL ZONES ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED DETAILED DESCRIPTION

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☒.

SIGNATURE Hannah Palomin TITLE ENGR/LAND TECHNICIAN DATE 12/27/2004

Type or print name HANNAH PALOMIN

E-mail address: hannah@mycoinc.com

Telephone No. (505)748-4288

For State Use Only

FOR RECORDS ONLY

DEC 30 2004

APPROVED BY: TITLE DATE

MYCO INDUSTRIES, INC.  
LONETREE 14 STATE COM #1  
T21S-R27E-Sec. 14: 660' FSL & 1980' FEL  
Eddy County, New Mexico

**8/13/2004 – 12/15/2004**

Perforate Morrow formation from 11,429-473'. Total 10 holes - 11,429', 431', 472', & 473'. Total 10 holes, 0.36" diameter. Acidize with 1000 gal 7-1/2% Morrow Acid. Frac Morrow perforations 11,429-431' & 11,472-474' with 500 gal of 7-1/2% HCL acid, 10,110 gal of 40# Linear gel, 57 tons of CO2, 341 Mscf N2, and 30,360 lbs. of 20/40 Interprop. Tested tite.

Set CBP @ 11,389'. Perforate Morrow Sand formation from 11,317-11,322. 2 SPF @ 11,317', 318', 319', 320', 321' & 322'. Total 12 holes, 0.38" diameter, 39 gm. charge, 42.60" of penetration and 120 degree phasing. Acidize with 1000 gal 7-1/2% HCL NEFE acid + N2 + 10-7/8"-1.3 spgr ballsealers. Tested tite.

Set CIBP @ 10,990'. Made up 20 feet of 4" OD bailer to give 11.5' fill of cement in the 5-1/2" casing. Dump bail cement to 10,978.5'.

Perforate Atoka Sand formation from 10,876-885'. 1 SPF @ 10,876', 877', 878', 879', 880', 882', 883', 884' & 885'. Total 9 holes, 0.38" diameter, 39 gram charge, 42.60' penetration and 120 degree phasing. Acidize with 1000 gal 7-1/2% HCL NEFE Acid + N2 + 8-7/8"-1.3 spgr ballsealers. Tested Wet.

Set CBP @ 10,676'. Perforate Wolfcamp Lime formation from 9,704-720'. Total 16 holes, 0.38" diameter, 39 gram charge, 42.60" penetration and 120 degree phasing. Acidize with 2000 gal 15% NEFE + additives.

Well producing from 9704-720' (Wolfcamp) at a current rate of 261 mcf/d, 0 water, 0 oil via 2-7/8" tubing with packer set at 9581'. PBTD – 10,676'.