

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003									
		WELL API NO. 30-015-32851		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. L-1899-7									
WELL COMPLETION OR RECOMPLETION REPORT AND LOG													
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER RE-ENTRY				7. Lease Name or Unit Agreement Name LONETREE 14 STATE COM <div style="text-align: center; font-weight: bold; font-size: large;">RECEIVED</div>									
2. Name of Operator MYCO INDUSTRIES, INC.				8. Well No. JAN 03 2005 #1									
3. Address of Operator P.O. BOX 840, ARTESIA, NEW MEXICO 88211				9. Pool name or Wildcat									
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													
10. Date Spudded 10/22/2003		11. Date T.D. Reached 07/29/2004		12. Date Compl. (Ready to Prod.) 12/13/2004									
13. Elevations (DF& RKB, RT, GR, etc.) 3205' GL		14. Elev. Casinghead 3205'											
15. Total Depth 11,963'		16. Plug Back T.D. 10,676'		17. If Multiple Compl. How Many Zones?									
18. Intervals Drilled By 0-11,962'		Rotary Tools		Cable Tools									
19. Producing Interval(s), of this completion - Top, Bottom, Name 9,704-9,720' WOLFCAMP				20. Was Directional Survey Made TOTCO-Subm. by Mewbourne									
21. Type Electric and Other Logs Run OPEN HOLE-SUBMITTED BY MEWBORNE, CBL-ATTACHED BY MYCO				22. Was Well Cored NO									
23. CASING RECORD (Report all strings set in well)													
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED								
13-3/8"	48#/FT.	420'	17-1/2"	450 SXS (CIRC)									
9-5/8"	40#/FT.	2600'	12-1/4"	950 SXS (CIRC)									
5-1/2"	17#/FT.	11,950'	8-3/4"	STAGE I-700 SXS (CIRC)									
				STAGE II-1600 SXS TOC 2330'CBL									
24. LINER RECORD													
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN									
26. Perforation record (interval, size, and number) SEE ATTACHED			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>SEE ATTACHED</td> <td>SEE ATTACHED</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	SEE ATTACHED	SEE ATTACHED				
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SEE ATTACHED	SEE ATTACHED												
28. PRODUCTION													
Date First Production 12/13/2004		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING		Well Status (Prod. or Shut-in) PRODUCING									
Date of Test 12/14/2004	Hours Tested 24	Choke Size 8/64	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 261								
Water - Bbl. 0		Gas - Oil Ratio --											
Flow Tubing Press. 660	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 261	Water - Bbl. 0								
Oil Gravity - API - (Corr.) --													
29. Disposition of Gas (Sold, used for fuel, vented, etc.) FIRST SALES 12-13-2004 DUKE					Test Witnessed By C. BAILEY								
30. List Attachments CBL													
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief													
Signature <i>Hannah Palomin</i>		Printed Name HANNAH PALOMIN		Title ENGR./LAND TECH.									
				Date 12/29/2004									

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn "B"
T. Salt	T. Strawn 10320'	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 10790'	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand 2850'	T. Todilto	T.
T. Drinkard	T. Bone Springs 5404'	T. Entrada	T.
T. Abo	T. Morrow 11126'	T. Wingate	T.
T. Wolfcamp 9004'	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C) 10026'	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

(Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

MYCO INDUSTRIES, INC.
LONETREE 14 STATE COM #1
T21S-R27E-SEC. 14: 660' FSL & 1980' FEL
EDDY COUNTY, NEW MEXICO

26. PERFORATION RECORD

11,429-473' 4" CSG GUN (.36" EHD) 10 HOLES TOTAL
11,317-322' 4" CSG GUN (.38" EHD) 12 HOLES TOTAL
10,876-885' 4" CSG GUN (.38" EHD) 9 HOLES TOTAL
9,704-720' 4" CSG GUN (.38" EHD) 16 HOLES TOTAL

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

11,429-473' 1000 GAL 7-1/2% MORROW ACID
11,429-473' FRAC w/ 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

11,317-322' 1000 GAL 7-1/2% HCL NEFE

10,876-885' 1000 GAL 7-1/2% HCL NEFE

9,704-720' 2000 GAL 15% NEFE