

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD

FORM APPROVED OMB NO. 1004-0137 Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well [] Oil Well [X] Gas Well [] Dry Other
b. Type of Completion [X] New Well [] Work Over [] Deepen [] Plug Back [] Diff. Resvr., Other

5. Lease Serial No. NM-11141

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and no.

2. Name of Operator MYCO INDUSTRIES, INC.

8. Lease Name and Well No. SKOR 34 FED COM #1

3. Address P.O. BOX 840, ARTESIA, NM 88211

3.a Phone No. (Include area code) (505)748-4280

9. API Well No. 30-015-33925

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

10. Field and Pool, or Exploratory WOLFCAMP

11. Sec., T., R., M., on Block and Survey or Area 34-T21S-R27E

12. County or Parish EDDY 13. State NM

At Surface 660' FSL & 1800' FEL, SEC. 34 - T21S - R27E 9 (UNIT O)

At top prod. interval reported below SAME

At total depth SAME

RECEIVED JUL 01 2005 OOD-ARTESIA

14. Date Spudded 03/09/2005

15. Date T.D. Reached 04/09/2005

16. Date Completed 06/04/2005 [] D & A [X] Ready to Prod.

17. Elevations (DF, RKB, RT, GL)* 3134' GL

18. Total Depth: MD 11,966' TVD

19. Plug Back T.D.: MD 11,365' TVD

20. Depth Bridge Plug Set: MD 11,400' TVD

21. Type of Electric & Other Mechanical Logs Run (Submit copy of each) SCHLUMBERGER PLATFORM EXPRESS, CBL (ATTACHED)

22. Was well cored? [X] No [] Yes (Submit analysis) Was DST run? [X] No [] Yes (Submit analysis) Directional Survey? [] No [X] Yes (Submit copy)

23. Casing and Liner Record(Report all strings set in well)

Table with 10 columns: Hole Size, Size/Grade, Wt. (#/ft.), Top (MD), Bottom (MD), Stage Cementer Depth, No. of Sk. & Type of Cement, Slurry Vol. (BBL), Cement Top*, Amount Pulled. Rows include 17-1/2" 13-3/8" H40 48#, 12-1/4" 9-5/8" J55 36#, 8-3/4" 5-1/2" L80 17#.

24. Tubing Record

Table with 9 columns: Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD). Row: 2-7/8" 9525' 9525'.

25. Producing Intervals

26. Perforation Record

Table with 8 columns: Formation, Top, Bottom, Perforated Interval, Size, No. Holes, Perf. Status. Rows: A) WOLFCAMP 9,598' 9,667' MORROW (11454-482') 0.41" 14 NOT COMMERCIAL; B) WOLFCAMP (9598-667') 0.46" 15 PRODUCING.

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Table with 2 columns: Depth Interval, Amount and Type of Material. Rows: 11,474'-11,482' 1500 GAL 7.5%; 11,454'-11,482' FRAC W/ 786 BBLS + 32000#; 9,598-9,667' 40000 GAL 20% NEFE; FRAC W/ 408 BBLS + 12000#.

28. Production - Interval A

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Row: 6/4/05 6/4/05 24 78 1432 12 56 .6536 FLOWING. Includes stamp: ACCEPTED FOR RECORD JUN 29 2005.

ACCEPTED FOR RECORD JUN 29 2005

Production - Interval B

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Row: 15/64" SI 1675 0 78 1432 12 18359:1 PRODUCING. Includes stamp: LES BABYAK PETROLEUM ENGINEER.

LES BABYAK PETROLEUM ENGINEER

Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

FIRST SALES 6/4/2005 (DUKE)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones or porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
DELAWARE	2070'				
BONE SPRING	5242'				
WOLFCAMP	8882'				
STRAWN	10272'				
ATOKA	10774'				
MORROW	11152'				
BARNETT	11836'				

32. Additional remarks (include plugging procedure):

FORM C-144 (NMOCD) APPROVED 2/8/2005 (PITS)

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geological Report
- 3. DST Report
- 4. Directional Survey -TOTCO
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other -CBL

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) A.N. MUNCY Title EXPLOR/OPER. MGR

Signature *A.N. Muncy, PELS* Date 06/15/2005

Title 18 U.S.C. Section 101 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 and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CATION

SKOR 34 Fed Com #1

LEASE & WELL

Sec 34, 21S, 27E Eddy, New Mexico
(Give Unit, Section, Township and Range)

OPERATOR

Myco Industries, Inc. 423 W. Main Street Artesia, New Mexico 88210

DRILLING CONTRACTOR

NABORS DRILLING USA, LP

The Undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

<u>DEGREES @ DEPTH</u>	<u>DEGREES @ DEPTH</u>	<u>DEGREES @ DEPTH</u>	<u>DEGREES @ DEPTH</u>
1/2 311	1 3508	1 7886	
1 704	1/2 3854	1/2 8114	
2 1200	1 4104	1/2 8210	
2 1325	1 4260	1/2 8240	
2 1450	1/2 4511	1/2 8572	
2 1573	1 4760	0 8958	
1 1/2 1725	1 5000	3/4 9240	
2 1849	1/2 5342	1 9818	
2 1/2 1969	1 6010	3/4 10307	
2 1/2 2098	1 6242	1 1/2 10800	
2 1/2 2158	1/2 6512	1 1/4 11400	
2 1/2 2343	1/2 6889		
1 2685	1/2 7141		
1 3063	1/2 7360		
1/2 3343	1 7633		

Drilling Contractor

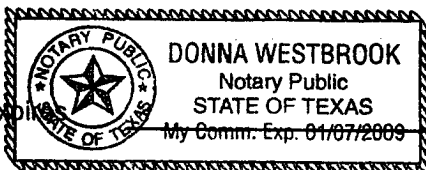
Nabors Drilling USA, LP

By

[Signature]
Brent Sanders-District Manager

Subscribed and sworn to before me this 22 day of April, 2005

[Signature]



Notary Public

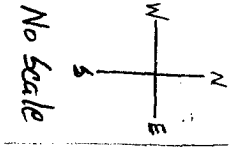
My Commission Expires

MIDLAND

County

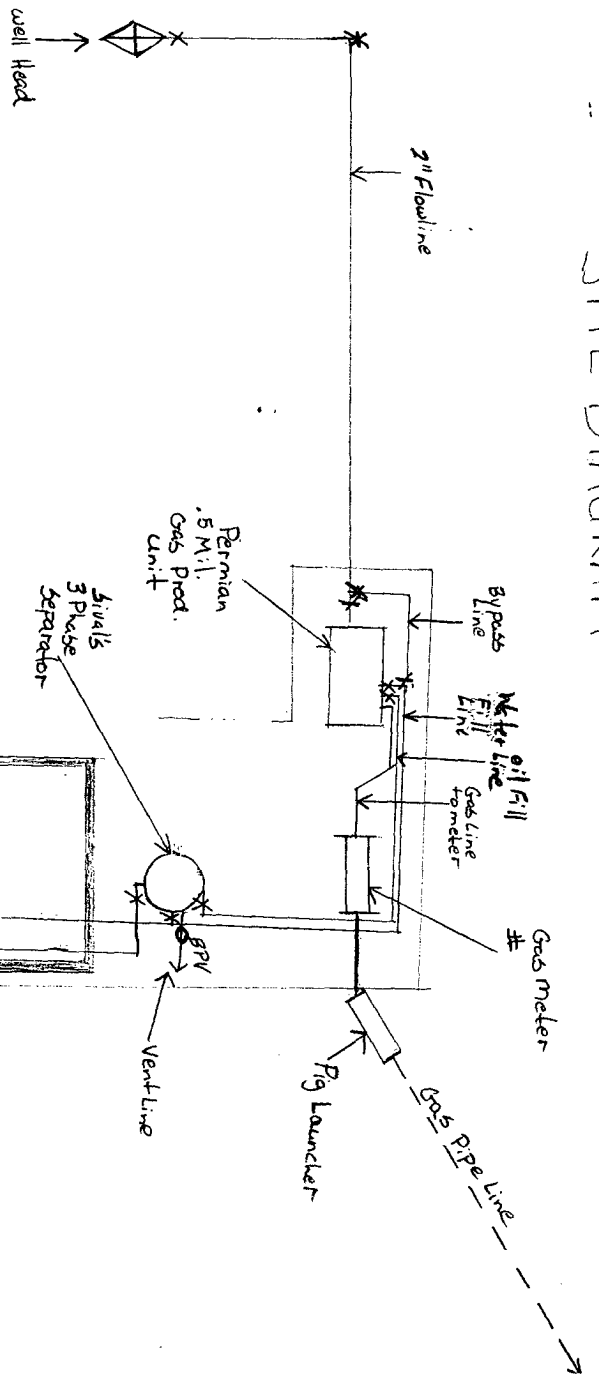
TEXAS

SITE DIAGRAM



Road

No Scale



Myco Industries Inc.
 Skot 34 Fed. Gov #1
 400' FSL + 1800' FEL
 34-215-27E
 Eddy Co, NM
 API No-30-015-33995

Gas Prod. Unit SN-3419-4
 3 Phase sep SN-101456
 Fiberglass SN-3201-05
 Steel SN-3883

- Production Phase
 Tank # 5505B
 ① open
 ② open
 ③ close
- Sales Phase
 ① open
 ② open
 ③ close

Fire Wall
 2' High
 Fence around
 Battery

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33925	Pool Code 74160	Pool Name Carlsbad Wolfcamp; East
Property Code	Property Name SKOR "34" FEDERAL COM.	Well Number 1
OGRID No. 025575	Operator Name MYCO INDUSTRIES INC.	Elevation 3134

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	34	21S	27E		660	SOUTH	1800	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>RECEIVED JUN 27 2005 OGD-ARTESIA</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>A.N. Muncy, PELS</u> Signature</p> <p><u>A.N. MUNCY</u> Printed Name</p> <p><u>OPER-EXPLOR MGR</u> Title</p> <p><u>6/23/2005</u> Date</p>	
	<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>10/20/2004 Date Surveyed</p> <p><u>CHIEF & JONES</u> Signature of Professional Surveyor</p> <p>REGISTERED PROFESSIONAL LAND SURVEYOR NEW MEXICO 3640</p> <p>Certificate No. Marscher & Jones RLS 3640 GENERAL SURVEYING COMPANY</p>	

N.32°25'51.6"
W.104°10'29.3"
N.520506.5
E.549089.9
(NAD-27)

S/2

3136 3134
3129 3130
1800'

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'