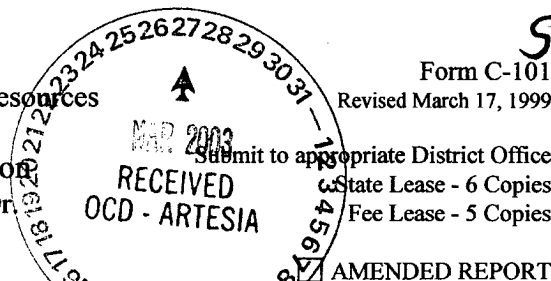


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised March 17, 1999



**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Myco Industries, Inc. P.O. Box 840 Artesia, NM 88211-0840		<sup>2</sup> OGRID Number 015445
<sup>3</sup> Property Code 32145	<sup>5</sup> Property Name Juneau 31 Fee Com	<sup>4</sup> API Number 30 - 015 - 32706
		<sup>6</sup> Well No. 2

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	31	21S	28E	/	660'	North	660'	West	Eddy

**Proposed 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
				1					

<sup>9</sup> Proposed Pool 1 Carlsbad; Morrow, East	<sup>10</sup> Proposed Pool 2
--	-------------------------------

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3126
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 12,100'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor Patterson-UTI	<sup>20</sup> Spud Date 04/2003

**Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	475'	600	Circulate
12-1/4"	9-5/8"	36#	2450'	1000	Circulate
8-3/4"	5-1/2"	17#	12,100'	1200	8100'
Conductor Pipe			40'		Circulated

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Myco proposes to drill and test the Morrow and intermediate formations. A 5000 PSI BOP will be installed on the 9-5/8" and tested daily. Cement will cover all oil, water and gas bearing zones. MYCO will notify NMOC of spud and time to witness cement on surface and intermediate strings. A mud-gas separator will be installed and tested before drilling the Wolfcamp. Mud Program: 0-475' Fresh water, 475'-2450' Fresh water unless excessive chlorides in the mud. 2450'-8300' Fresh water 8.3-ppg. Vis. 28-29, PH 10.2 - 3. 8300'-10,000' Cut brine 9.9-10 ppg. Vis. 28-29, PH 9.0 - 9.5. 10,000'-TD Mud up to 9.8-10.0 ppg. Vis. 32-36, WL<10.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature:		OIL CONSERVATION DIVISION ORIGINAL SIGNED BY TIM W. GUM DISTRICT IV SUPERVISOR	
Printed name: Shari D. Hodges		Title:	
Title: Land Manager		Approval Date: MAR 27 2003 Expiration Date: MAR 27 2004	
Date: 3-26-03	Phone: (505) 748-4290	Conditions of Approval: Attached <input type="checkbox"/>	

**DISTRICT I**

P.O. Box 1000, Hobbs, NM 88241-1000

**State of New Mexico**

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

**DISTRICT II**

P.O. Drawer 88, Artesia, NM 88401-0718

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**DISTRICT IV**

P.O. Box 2088, Santa Fe, N.M. 87504-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>JUNEAU "31" FEE COM</b>	Well Number <b>2</b>
OGHD No.	Operator Name <b>MYCO INDUSTRIES, INC.</b>	Elevation <b>3126'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
1	31	21-S	28-E		660	NORTH	660	WEST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Ida	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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.</p> <p><i>Shari Hodges</i> Signature <b>SHARI HODGES</b> Printed Name <b>LAND MANAGER</b> Title <b>25 MARCH 2003</b> Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p><b>MARCH 24, 2003</b></p> <p>Date Surveyed Signature of Surveyor Professional Surveyor <i>Ronald S. Edson</i> NEW MEXICO 03110298 Certified by: <b>RONALD S. EDSON</b> 3280 12641</p>
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MYCO INDUSTRIES, INC.  
TYPICAL 5,000 p.s.i.  
BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC

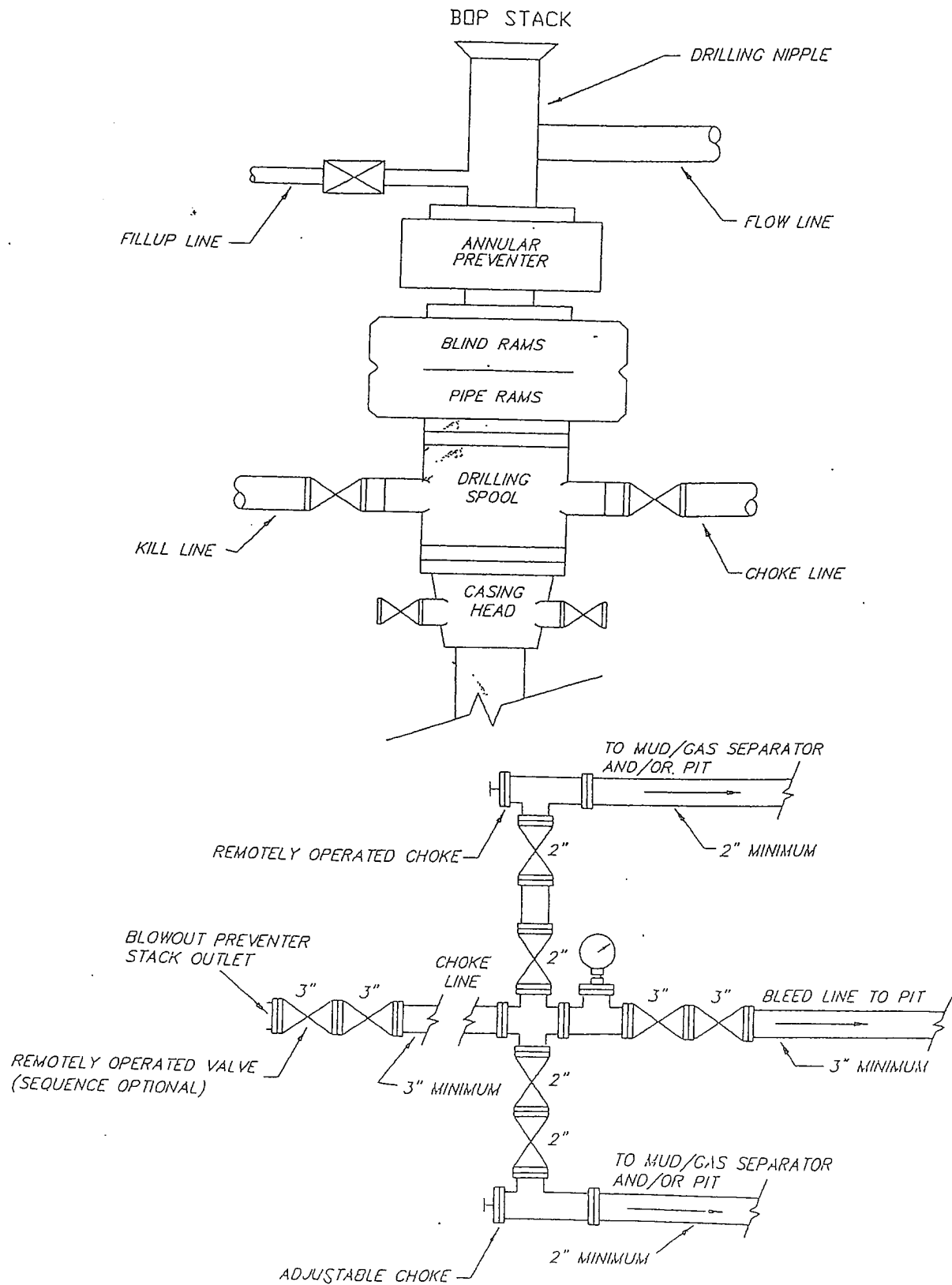


DIAGRAM -1