

10.1 P.01 505 748 2368 12:21 APR - 6-99 TUE

# MYCO Industries, Inc.

P O Box 840

331 West Main, Ste C

Artesia, NM 88211-0840

Date:

4-6-99

Number of pages including cover sheet:

5

To:

MIKE STOGNER

OCN

Santa Fe, NM

hone: 505 827-7131

Fax phone: 505 827-1389

CC:

From:

Nelson Muncy



MYCO INDUSTRIES, INC.

— OIL GAS PRODUCER —

P.O. Box 840 Corner of 4th & Main

Artesia, New Mexico 88211-0840

(505) 748-4274

FAX (505) 748-2368

HOME (505) 748-2687

CELLULAR (505) 746-7318

PAGER 1 (800) 999-6710

PIN #9911085

NELSON MUNCY, PELS

— OPERATIONS MANAGER —

REMA.

☐ Urgent

☒ For your review

☐ Reply ASAP

☐ Please comment

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MYCO INDUSTRIES, INC.

OIL PRODUCERS

P.O. BOX 840 / 331 WEST MAIN, SUITE C

ARTESIA, NEW MEXICO 88211-0840

Phone (505) 748-1471

April 6, 1999

NM Energy Minerals and Natural Resource Dept.  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, NM 87505

Attn: Mike Stogner  
Engineer

RE: Administrative Approval Request  
Non-Standard Location  
State Lease #E-2943  
Continental "A" State #16-P  
980' FSL & 1200' FEL  
Township 19 South, Range 29 East, NMPM  
Section 10  
Eddy County, New Mexico  
Proposed TD 2400' (7RVRS-QN)

Dear Sir:

Please note the attached NMOCD Form C-103 which details the P/A on the Continental "A" State #16 (NSL-4238). We propose to skid over 100' to the East and Re-drill this well as the Continental "A" State #16-Y (C-102 Attached).

AFT Rig #3 is currently drilling the Continental State #17 (NSL-4247) and will be ready to spud the Continental "A" State #16-Y this coming Monday, April 12, 1999.

Your prompt approval for a NSL Location will be most appreciated.

Sincerely,

Nelson Muncy, PE/S  
Operations Manager

Attachments (3)  
NM:ss

XC: NMOCD - Artesia  
Frank Yates, Jr.  
Kathy Porter - Land  
Doug Adey - Accounting

Myco Industries, Inc. Fax # (505) 748-2368

APR-6-99 TUE 7:47

P.01

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 5 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

# OIL CONSERVATION DIVISION

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

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

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name TURKEY TRACK-7RVS-QN-QB-SA
Property Code	Property Name CONTINENTAL "A" STATE	Well Number 16-Y
GRID No.	Operator Name MYCO INDUSTRIES INC.	Elevation 3364

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	19S	29E		980	SOUTH	1200	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

					<b>OPERATOR CERTIFICATION</b> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
					<b>SURVEYOR CERTIFICATION</b> <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>04/05/1999</p> <p>Date Surveyed _____</p> <p>Signature &amp; Seal of Professional Surveyor _____</p> <p>HEIDI JONES 3643 Certificado No. Herschel L. Jones RLS 3640 RECORDS 16-Y DISK 11 GENERAL SURVEYING COMPANY</p>

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**OIL CONSERVATION DIVISION**

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

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

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

WELL API NO. 30-015-30604	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. E-2943	

**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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		7. Lease Name or Unit Agreement Name CONTINENTAL "A" STATE	
2. Name of Operator MYCO INDUSTRIES, INC.		8. Well No. #16	
3. Address of Operator P.O. BOX 840, Artesia, NM 88210		9. Pool name or Wildcat TURKEY TRACK 7 RVRS-QN-GB-SA	
4. Well Location Unit Letter <u>P</u> : <u>980'</u> Feet From The <u>SOUTH</u> Line and <u>1300'</u> Feet From The <u>EAST</u> Line Section <u>10</u> Township <u>19S</u> Range <u>29E</u> NMPM EDDY County			

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3364' GR

11.

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

**NOTICE OF INTENTION TO:**

**SUBSEQUENT REPORT OF:**

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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.

SPUD 12 1/4" HOLE 8 AM 4/2/99. AFT #3 NOTIFIED ARTESIA OCD.

LOST RETURNS @ 40' AND @ 128' A 12' DIA. SINK HOLE FORMED AROUND THE WELL BORE. DRILLING ABANDONED AT APPROX. 3 PM. USED 2-WINCH TRUCKS AND A CRANE TO POH WITH BIT AND DRILL PIPE AND SKID RIG OFF HOLE. NELSON MUNCY NOTIFIED TIM GUM AT APPROX. 5:55 PM OF SITUATION AND REC'D VERBAL TO P/A WELL. NO LOSS OF EQUIPMENT OR PERSONNEL INJURIES.

4/3/99 SAT. 8 AM-FILLED 12 1/4" HOLE, RAT HOLE, MOUSE HOLE AND SINK HOLE WITH 450-SXS BU CLASS "C" CMT.

WILL MOVE LOCATION 100' EAST AND NAME WELL CONTINENTAL "A" STATE 16-Y. WILL FILE A NSL FOR NEW WELL WITH SANTA FE OCD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE A.N. MUNCY TITLE OPER. MGR. DATE 4/6/99  
TYPE OR PRINT NAME A.N. MUNCY, PELS TELEPHONE NO. (505) 748-147

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

# DAILY DRILLING REPORT

Rig AFT 3

Report No. 1 Date 4-2-99 NEXT Job No. 149

Well Name CONTINENTAL #1 STATE #16 Operator MYCO

Operation Wait on location Information Red Rod Depth 128 Footage No. Returns

OPERATION	MORN.	DAY	EVE.	DEVIATION RECORD	DEPTH	DEV.	DEPTH	DEV.
1. RIG UP AND TEAR DOWN		2	8					
2. DRILL ACTUAL		5 1/2		BIT RECORD		MUD RECORD		
3. REAMING				BIT NO.	1		TIME	
4. CORING				SIZE	12 1/4		WEIGHT	8.3
5. CONDITION MUD & CIRCULATE				MFG.	HTC		PRESSURE GRADIENT	
6. TRIPS				TYPE	OSC		VISC. SIG.	28
7. LUBRICATE RIG				JETS 1/32"	14 12 12		PUMP	
8. REPAIR RIG				SER. NO.	R.R.		GELS.	
9. OUT OFF DRILLING LINE				DEPTH OUT	128		WL. COS.	
10. DEVIATION SURVEY				DEPTH IN	40		PH	
11. WIRE LINE LOG				TOTAL FTG.	88		SOLIDS %	
12. RUN CASING & CEMENT				TOTAL HRS. RUN	5 1/2			
13. WAIT ON CEMENT				COSTS	DAILY	TOTAL	MUD & CHEMICALS ADDED	
14. NIPPLE UP/DOWN B.O.P.				MUD			12.5x Paper	
15. TEST B.O.P.				WATER				
16. DRILL STEM TEST				CHEMICAL				
17. PLUG BACK								
18. SQUEEZE CEMENT				ROTARY RPM	WT. ON BIT 1000'	PUMP PRESS	PUMP NO. 1	PUMP NO.
19. FISHING							UNER SIZE	RPM
20. DRILL CEMENT PLUG				80	ALL	250	5 1/2	40
21.								DIESEL
								PROPANE
22.				FRESH WATER - ORDER			LOADS	
23.				BRINE WATER - ORDER			LOADS	
40' of starting hole				LOCATION FELL OUT FROM UNDER RIG - WAVE RIG TO FIX LOCATION				
Spud 12 1/4 hole 8:00 A.M.				4-2-99				
Last Returns 40'								
Rig Released				6:30 AM. 4-2-99				

**MYCO Industries, Inc.**

P O Box 840

331 West Main, Ste C

Artesia, NM 88211-0840

Date:

4-6-99

Number of pages including cover sheet:

52

To:

MIKE STOGNIER

OCD

Santa Fe, NM

Phone: 505 827-7131

Fax phone: 505 827-1389

CC:

From:

Nelson Muncy

**MYCO INDUSTRIES, INC.**

— OIL - GAS PRODUCER —

P.O. Box 840 • Corner of 4th &amp; Main

Artesia, New Mexico 88211-0840

(505) 748-4274

FAX (505) 748-2368

HOME (505) 748-2687

CELLULAR (505) 746-7316

PAGER 1 (800) 999-6710

PIN #9911085

**NELSON MUNCY, PELS**

— OPERATIONS MANAGER —

REMARKS:

☐ Urgent☒ For your review☐ Reply ASAP☐ Please comment

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MYCO INDUSTRIES, INC.  
OIL PRODUCERS  
P.O. BOX 840 / 331 WEST MAIN, SUITE C  
ARTESIA, NEW MEXICO 88211-0840  
Phone (505) 748-1471

April 6, 1999

NM Energy Minerals and Natural Resource Dept.  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, NM 87505

Attn: Mike Stogner  
Engineer

RE: Administrative Approval Request  
Non-Standard Location  
State Lease #E-2943  
Continental "A" State #16-Y  
980' FSL & 1200' FEL  
Township 19 South, Range 29 East, NMPM  
Section 10  
Eddy County, New Mexico  
Proposed TD 2400' (7RVRS-QN)

Dear Sir:

Please note the attached NMOCD Form C-103 which details the P/A on the Continental "A" State #16 (NSL-4238). We propose to skid over 100' to the East and Re-drill this well as the Continental "A" State #16-Y (C-102 Attached).

AFT Rig #3 is currently drilling the Continental State #17 (NSL-4247) and will be ready to spud the Continental "A" State #16-Y this coming Monday, April 12, 1999.

Your prompt approval for a NSL Location will be most appreciated.

Sincerely,

Nelson Muncy, PELS  
Operations Manager

Attachments (3)

NM:ss

XC: NMOCD - Artesia  
Frank Yates, Jr.  
Kathy Porter - Land  
Doug Adeo - Accounting

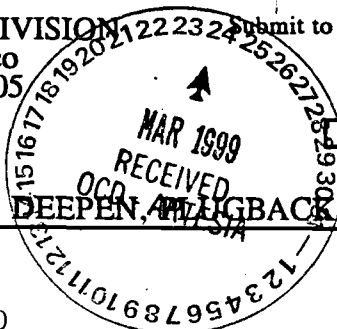
Myco Industries, Inc. Fax # (505) 748-2368

District I  
PO Box 1980, Hobbs, NM 88241-1980  
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 & Natural Resources Department

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

Operator Name and Address. MYCO INDUSTRIES, INC. PO Box 840, Artesia, NM 88210		OGRID Number 15445
Property Name Continental "A" State		API Number 30-015-30604
Property Code 22488	Well No. 16	

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	10	19S	29E		980	South	1300	East	Eddy

Proposed 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
Proposed Pool 1 Turkey Track 7RVRS-QN-GB-SA 61020					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3364'
Multiple NO	Proposed Depth 2400'	Formation QN	Contractor L&M Drilling, Inc.	Spud Date April 2, 1999

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24# (NEW)	325'	350	Circulate
7-7/8"	5-1/2"	15.5# (NEW)	2400'	525	Circulate

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.

\* Anticipated Tops: Top Salt - 300', Base Salt - 1084', Yates - 1284', 7RVRS - 1598', QN - 2250'

\* MVD Program: Fresh water to 325', 10# Brine 325'-TD

\* BOP: Install - Test after set 8-5/8" Surface CSG.

\* Notify OCD - Artesia: Spud & Run - CMT CSG (8-5/8" - 5-1/2")

\* OPEN HOLE LOGS: DLL-MSFL SDL-NL

# NSL - 4238 (SD) 3/22/99

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *A. Nelson Muncy*

Printed name: A. Nelson Muncy

Title: Operations Manager

Date: March 25, 1999

Phone: (505) 748-4274

OIL CONSERVATION DIVISION

Approved by: *Sign W. L. Bux B6X*

Title: District Supervisor

Approval Date: 3-24-99 Expiration Date: 3-24-00

Conditions of Approval:  
Attached ☐

\* NOTE: NSL - 4238 (SD) ADMIN. ORDER DATED: 3/22/99 (attached)



# ARTESIA FISHING TOOL CO., INC

## RIG INVENTORY

## RIG #3

Drawworks - Gardner Denver  
3000

Powered by 2 - 3306 Caterpillars

Pumps — 1 - D300 Emsco,  
1 - Emsco C-12; 7-1/2"  
x 14", D3406 Caterpillars,  
350 hp.

Mud Pump - stand-by pump

102' Hydraulic Telescoping,  
250,000#

8' x 6' x 12', 250,000#  
Substructure

Rotary drive off Drawworks

6000', 4-1/2" XH, 16.60 Grade E  
Drill Pipe

28 - 30' 6-1/4", 4-1/2" XO &  
7 - 30' 8" Drill Collars

10" Shaeffer Type B  
Double BOP, 3000#

8 Stage Hydraulic Closing Unit

5 Valve w/2 Chokes Manifold,  
3000#

35' Metal Top Doghouse

40' Metal Changing Room

2-pen Recorder Geograph

Light Plants: #1 - 105 KW,  
#2 - 90 KW

3000 gallon Pressurized Diesel  
Tank

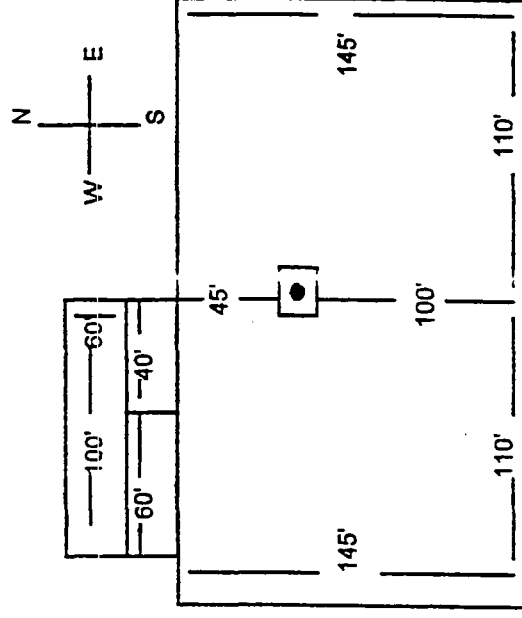
1000 gallon Propane Tank

500 bbl. Water Storage Tank

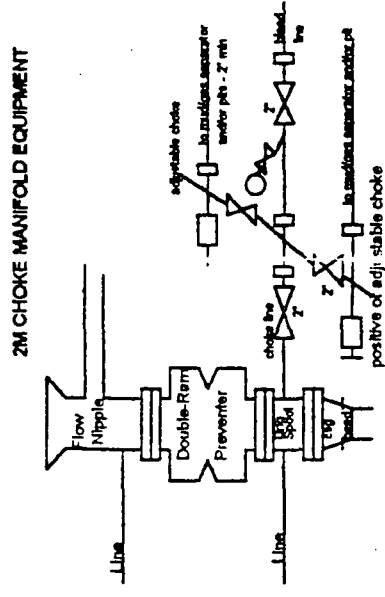
3 sets Triangle Pipe Racks

60' Catwalk

## RIG PLAT



## BOP SCHEMATIC



updated 9/25/98



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

March 22, 1999

MYCO Industries, Inc.  
P. O. Box 840  
Artesia, New Mexico 88211-0840  
Attention: Nelson Muncy

*Administrative Order NSL-4238(SD)*

Dear Mr. Muncy:

Reference is made to your application dated March 19, 1999 for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SE/4 SE/4 (Unit P) of Section 10, Township 19 South, Range 29 East, NMPM, Turkey Track (Seven Rivers/Queen/Grayburg/San Andres) Pool, Eddy County, New Mexico.

This 40-acre unit is currently dedicated to MYCO Industries, Inc.'s ("MYCO") Continental "A" State Well No. 10 (API No. 30-015-27190) located at a standard oil well location 660 feet from the South and East lines of Section 10.

Further, the NE/4 SE/4 and the S/2 SE/4 of Section 10 is a single State lease (New Mexico State Land Office lease No. E-02943) in which MYCO is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than MYCO.

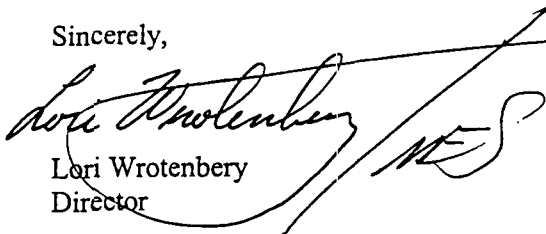
The application has been duly filed under the provisions of Rule 104.F of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox "infill" oil well location within the SE/4 SE/4 (Unit P) of Section 10 is hereby approved:

**Continental "A" State Well No. 16  
980' FSL & 1300' FEL.**

Further, both the existing Continental "A" State Well No. 10 and the proposed Continental "A" State Well No. 16 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
New Mexico State Land Office - Santa Fe

☐ **AMENDED REPORT**

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name TURKEY TRACK-7RVS-QN-QB-SA
Property Code	Property Name CONTINENTAL "A" STATE	Well Number 16
OGRID No.	Operator Name MYCO INDUSTRIES INC.	Elevation 3364

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	19S	29E		980	SOUTH	1300	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 40	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


N. 32° 40' 15"

W. 104° 03' 30"

1300'

986'

**OPERATOR CERTIFICATION**

*I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.*

MINIMUNNY, PELS

---

Signature

A NELSON MUNCY

---

Printed Name

OPER MGR

---

Title

3/24/99

---

Date

**SURVEYOR CERTIFICATION**

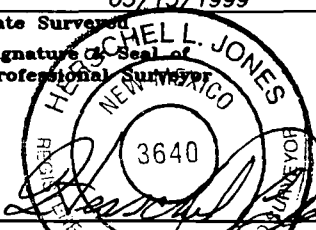
*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

03/13/1999

---

Date Surveyed

Signature of Seal of Professional Surveyor



---

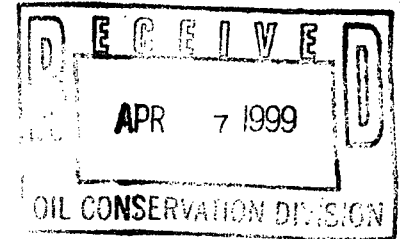
Certificate No. Herschel L. Jones RLS 3640

CONSISTENT WITH DISK 11

GENERAL SURVEYING COMPANY



MYCO INDUSTRIES, INC.  
OIL PRODUCERS  
P.O. BOX 840 / 331 WEST MAIN, SUITE C  
ARTESIA, NEW MEXICO 88211-0840  
Phone (505) 748-1471



April 6, 1999

NM Energy Minerals and Natural Resource Dept.  
Oil Conservation Division  
2040 S. Pacheco Street  
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Attn: Mike Stogner  
Engineer

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XC: NMOCD - Artesia  
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Myco Industries, Inc. Fax # (505) 748-2368

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
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DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

## OIL CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

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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 is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>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>04/05/1999</p> <p>Date Surveyed _____</p> <p>Signature &amp; Seal of Professional Surveyor _____</p> <p>Certificate No. Herschel L. Jones RLS 3640</p> <p>DISK 11</p> <p>GENERAL SURVEYING COMPANY</p>

1200'

980'

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

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

WELL API NO.  
30-015-30604

5. Indicate Type of Lease  
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.  
E-2943

7. Lease Name or Unit Agreement Name

CONTINENTAL "A" STATE

8. Well No. #16

9. Pool name or Wildcat  
TURKEY TRACK 7 RVRS-QN-GB-SA

**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 ☐

2. Name of Operator  
MYCO INDUSTRIES, INC.

3. Address of Operator  
P.O. BOX 840, Artesia, NM 88210

4. Well Location  
Unit Letter P : 980' Feet From The SOUTH Line and 1300' Feet From The EAST Line

Section 10 Township 19S Range 29E NMPM EDDY County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3364' GR

11. 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 ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☐

12. 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.

SPUD 12 $\frac{1}{4}$ " HOLE 8 AM 4/2/99. AFT #3 NOTIFIED ARTESIA OCD.

LOST RETURNS @ 40' AND @ 128' A 12' DIA. SINK HOLE FORMED AROUND THE WELL BORE. DRILLING ABANDONED AT APPROX. 3 PM. USED 2-WINCH TRUCKS AND A CRANE TO POH WITH BIT AND DRILL PIPE AND SKID RIG OFF HOLE. NELSON MUNCY NOTIFIED TIM GUM AT APPROX. 5:55 PM OF SITUATION AND REC'D VERBAL TO P/A WELL. NO LOSS OF EQUIPMENT OR PERSONNEL INJURIES.

4/3/99 SAT. 8 AM-FILLED 12 $\frac{1}{4}$ " HOLE, RAT HOLE, MOUSE HOLE AND SINK HOLE WITH 450-SXS BJ CLASS "C" CMT.

WILL MOVE LOCATION 100' EAST AND NAME WELL CONTINENTAL "A" STATE 16-Y. WILL FILE A NSL FOR NEW WELL WITH SANTA FE OCD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE A. N. Muncy TITLE OPER. MGR. DATE 4/6/99

TYPE OR PRINT NAME A. N. MUNCY, PELS TELEPHONE NO. (505) 748-1471

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

## DAILY DRILLING REPORT

Rig AFT 3Report No. 1Date 4-2-99Next Job No. 149Well Name CONTINENTAL #1 state #16 Operator mycoOperation Wait on Location Information Red Bed Depth 128 Footage No Returns

OPERATION	MORN.	DAY	EVE.	DEVIATION RECORD	DEPTH	DEV.	DEPTH	DEV.
1. RIG UP AND TEAR DOWN		2	8					
2. DRILL ACTUAL		5 1/2		BIT RECORD			MUD RECORD	
3. REAMING				BIT NO.	1		TIME	
4. CORING				SIZE	12 1/4		WEIGHT	8.3
5. CONDITION MUD & CIRCULATE				MFG.	HTC		PH-PRESSURE GRADIENT	
6. TRIPS				TYPE	OSC		VISC-SIC	28
7. LUBRICATE RIG				JETS 1/32"	14/12/12		PV/YP	/ /
8. REPAIR RIG				SER. NO.	R.R.		GF.S.	/ /
9. CUT OFF DRILLING LINE				DEPTH OUT	128		WL-CCS.	
10. DEVIATION SURVEY				DEPTH IN	40		PH	
11. WIRE LINE LOG				TOTAL FTG.	88		SOLIDS %	
12. RUN CASING & CEMENT				TOTAL HRS. RUN	5 1/2			
13. WAIT ON CEMENT				COSTS	DAILY	TOTAL	MUD & CHEMICALS ADDED	
14. NIPPLE UP/DOWN B.O.P.				MUD			AMT.	TYPE
15. TEST B.O.P.				WATER			12 SY	PAPER
16. DRILL STEM TEST				CHEMICAL				
17. PLUG BACK								
18. SQUEEZE CEMENT				ROTARY RPM	WT. ON BIT 1000"	PUMP PRESS	PUMP NO. 1	PUMP NO.
19. FISHING							UNER SIZE	S.P.M.
20. DRILL CEMENT PLUG				80	ACL	250	5 1/2	40
21.								
22.				FRESH WATER — ORDER				LOADS
23.				BRINE WATER — ORDER				LOADS
40' of starting hole				LOCATION FELL OUT FROM UNDER Rig — move OFF TO Fix Location				
Spud 12 1/4 hole 8:00 A.M.				4-2-99				
Last Returns 40'								
Rig Released				4:30 P.M. 4-2-99				

Barnett Drilling &amp; Construction Inc. Form No. 400

TOTAL P.01