

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
SH: NM046256 BHL: NM0437522

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
MYCO Industries, Inc.

3a. Address
P.O. Box 840
Artesia, NM 88211-0840

3b. Phone No (include area code)
575.748.4280

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SH: 2080' FNL & 10' FEL, Sec 26, T-18S, R-29-E
BHL: 1980' FNL & 330' FWL, Sec 26, T-18S-R-29E

7. If Unit of CA/Agreement, Name and/or No

8. Well Name and No.
East Turkey Track Fed Com #7H

9. API Well No.
30-015-39826

10. Field and Pool or Exploratory Area
Santo Nino, Bone Spring

11. Country or Parish, State
Eddy, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Request for variance |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | on COA - APD |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Pursuant to a conversation with Don Peterson at the BLM offices on April-11, 2012, MYCO Industries, Inc. respectfully requests a variance on the Conditions of Approval, Part V. Special Requirements, concerning the Well Pad Construction Requirements. MYCO is requesting permission to build the 400 x 400 location pad as approved in the permit as well as utilize the already existing fresh water frac pond located on the East Turkey Track Fed Com #6H during fracturing operations. The attached pictures show that it was necessary to utilize the entire 400 x 400 pad PLUS the frac pond in order to conduct fracing operations on the East Turkey Track Fed Com #5H and #6H. Operations of similar magnitude are planned for the subject well.

Accepted for record

NMOCD

TS
5/8/2012

RECEIVED

MAY 08 2012

NMOCD ARTESIA

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Hannah Palomin

Title Land Manager

Signature

Hannah Palomin

Date 05/01/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Don Peterson

Title

MAY 07 2012

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C Section 1001 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)