

RECEIVED

MAY 22 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COCD-ARTESIA

NM0046256

FORM APPROVED
OMB No 1004-0137
Expires July 31, 20105 Lease Serial No.
SH: NM046256 BHL:NM0437522

6 If Indian, Allottee or Tribe Name

7 If Unit or CA Agreement, Name and No.

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

9 API Well No.

30-015

10 Field and Pool, or Exploratory
Santo Nino, Bone Spring11 Sec., T. R. M. or Blk. and Survey or Area
Sec 26-T18S-R29E1a. Type of work: ☒ DRILL ☐ REENTER1b Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2 Name of Operator MYCO Industries, Inc.

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

3b. Phone No. (include area code)
575.748.4290

4 Location of Well (Report location clearly and in accordance with any State requirements *)

At surface 490' FNL & 10' FEL, Unit A

At proposed prod. zone 660' FNL & 330' FWL, Unit D

14 Distance in miles and direction from nearest town or post office*
Approximately 7 miles S/SW of Loco Hills, NMUNORTHODOX
LOCATION

12 County or Parish

13. State

15 Distance from proposed*
location to nearest
property or lease line, ft
(Also to nearest drig unit line, if any)

10'

16 No of acres in lease

100 240 + 520
= 76017 Spacing Unit dedicated to this well
16018 Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft1590' N of proposed
ETT Fed Com #7H19 Proposed Depth
7920' TVD P.H.,
12738' MD 8200'20 BLM/BIA Bond No. on file
NMB00037621 Elevations (Show whether DF, KDB, RT, GL, etc.)
3465' GR22 Approximate date work will start*
04/15/201223. Estimated duration
60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form

1. Well plat certified by a registered surveyor

2 A Drilling Plan.

3 A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO must be filed with the appropriate Forest Service Office)4 Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5 Operator certification

6 Such other site specific information and/or plans as may be required by the
BLM.

25. Signature

A. N. Muncy

Name (Printed/Typed)

A. N. Muncy

Date

02/29/2012

Title

Exploration/Operations Manager

Approved by (Signature)

/s/ Don Peterson

Name (Printed/Typed)

Date

MAY 21 2012

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval 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.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

*(Instructions on page 2)

Capitan Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access road proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or Myco Industries, Inc., am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 29 day of FEB, 2012.

Signed: A.N. Muncy, PELS

Printed Name: A.N. Muncy
Position: Exploration/Operations Manager
Address: PO Box 840, Artesia, New Mexico 88211
Telephone: (575) 748-4280
Field Representative (if not above signatory): A.N. Muncy
E-mail: anmuncy@mycoinc.com.

DISTRICT I
625 N. 14TH AVENUE, HOBBS, NM 88240
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210
DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40335	Pool Code 54600	Pool Name Santo Nino, Bone Spring
Property Code 8252	Property Name EAST TURKEY TRACK FEDERAL COM	Well Number 8H
OGRID No. 015445	Operator Name MYCO INDUSTRIES, INC.	Elevation 3465'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	26	18-S	29-E		490	NORTH	10	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
D	26	18-S	29-E		660	NORTH	330	WEST	EDDY
Dedicated Acres 160	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

	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Signature <u>Ann Muncy</u> Date <u>2/26/12</u> Printed Name <u>Ann Muncy</u> E-mail Address <u>annmuncy@mycoinc.com</u>
Y=626479.9 N X=586066.9 E Y=626496.5 N X=591336.0 E GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=627325.9 N X=591323.9 E LAT = 32 724263' N LONG = 104 036378' W BOTTOM HOLE LOCATION Y=627141.5 N X=586395.0 E 3455.9' 3460.7' 3464.7' 3467.2' DETAIL	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 MAY 10, 2011 Date of Survey Signature & Seal of Professional Surveyor. Certificate Number <u>3239</u> Gary G. Edson 12641 Ronald E. Edson 3239 LA JWSC W.O. 11.11 0868

EXHIBIT 1

MYCO INDUSTRIES, INC.
East Turkey Track Federal Com #8H
490' FNL & 10' FEL, Surface Hole
660' FNL & 330' FWL, Bottom Hole
Section 26 – T18S – R29E
Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Rustler	360'
Top Salt	530'
Base Salt	850'
Yates	1210'
Seven Rivers	1300'
Queen	2180'
Grayburg	2540'
San Andres	3020'
Bone Spring	3910'
First Bone Spring Ss	7045'
Second Bone Spring Ss	7855'
TD Pilot Hole--Second BS	8200'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 50'

Oil or gas: OIL: Queen-Grayburg-San Andres and Bone Spring

3. Pressure Control Equipment:

(with annular)
A 13 5/8" 5M double ram hydraulic BOP system rated for 5000 psi working pressure will be utilized on the 13 3/8" surface head. The 13 3/8" surface head will be rated for 3000 psi WP, therefore the BOP test on the surface casing wellhead and BOP equipment will be tested to 250 psi low and 3000 psi high. The Annular BOP will be tested to 2500 psi or 50% of rated WP also due to the pressure limitations of the 3000 psi wellhead. Kill line and choke manifold will be in place and tested with the BOP equipment. Upper and lower kelly cock valves will also be tested. All BOP tests will be performed by a third party BOP tester. Surface casing will be tested to 1300 psi prior to drill out. An FIT will be performed and tested to 10.4# EMW.

The 12 1/4" hole will be drilled to 3200' using brine water, then 9 5/8" 36# J55 LTC casing will be run and cemented to surface. After 6 hours WOC, the 9 5/8" casing will be cut off and a "B" — *See COA* Section with 13 5/8" 3M X 11" 5M flanges will be installed and rated for 5000 psi WP. The seal assembly will be installed in the 13 3/8" head, isolating the 9 5/8" casing and wellhead, the BOP stack will be tested to 5000 psi WP with test plug and a third party BOP tester. The Annular BOP will be tested to 50% of WP rating. All kill lines and manifold lines, HCR Valves and upper/lower kelly cock valves will also be tested to 250 psi low and 5000 psi high. All BOP controls will be installed prior to drilling the surface plug and the 9 5/8" plug and will remain in use until the well is completed or abandoned. Kill lines and hand wheels for BOP equipment will be installed, inspected and operated daily to ensure good mechanical working order and this inspection will be recorded on the daily drilling report. BOP rams will be function tested during each trip of the drill pipe and when out of the hole for bit changes and noted on the daily drilling report. Casing will be tested to 2640 psi and charted prior to drilling out below the 9 5/8" casing. All tests will be performed and approved prior to going back in the hole with the drill string. A FIT test will be performed and tested to 10.0# EMW.

An 8 3/4" pilot hole will be drilled to 8200' MD and TVD, and then plugged back to an approximate KOP of 7500'. This plug will utilize approximately 425 sx of Class "H" cement with a

yield of 0.99 cu ft and Wt of 16.0# and will be dressed off to KOP. Actual amount depending on open hole logs of the pilot hole.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock valves, pit level indicators, flow sensor equipment and a safety sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when Kelly is not in use.

4. The proposed casing and cementing program:

A. Casing Program (All New):

Hole Size	Casing Size	Wt/Ft	Grade	Coupling	Interval	Length
17 1/2"	13 3/8"	48#	H-40	ST&C	0-400' 300'	400'
12 1/4"	9 5/8"	36#	J-55	LT&C	0-3200'	3200'
8 3/4"	5 1/2"	17#	L-80	BTC	0-12738'	12738'

See COA
425
An 8 3/4" pilot hole will be drilled to 8200'. Pilot hole will be logged and a cement plug consisting of 425 sacks of Class "H" cement will be pumped at 16.0#/gal with a 0.99 Yld. This will bring the cement from the TD of the pilot hole at 8200' up to 7400'. The horizontal leg will then kick off with an 8 3/4" hole at 7532' TVD building angle at 12 deg/100 and landing the curve at 8010' TVD and 8292' MD. Total Depth of 12738' MD and 7920' TVD with total vertical section of 4932.35' will be reached and the 5 1/2" production casing will be set. The BHL at Total Depth will be 405' FEL and 504' FNL of Sec 26-T18S-R29E and the deepest TVD in the well is 8010' in the lateral. This plan will be confirmed or slightly modified based on the electric logs run in the vertical pilot hole as will the volume of the kick off plug.

Minimum Casing Design Factors: Burst--1.125, Tensile--1.8, Collapse--1.125

B. Cementing Program:

- Surface casing:** TOC surface. Pump 425 sacks Class "C" + 2% CaCl₂ (WT--14.8, YLD--1.33) Circulate to surface. (200% Excess)
- Intermediate casing:** TOC surface. Lead with 900 sacks Lite "C" (WT 12.8, YLD 1.88). Tail in with 300 sacks "C" + 2% CaCl₂ (WT. 14.8 YLD 1.33) Circulate to surface. (175% Excess)
- Plug Back/KO Plug:** TD of Pilot hole at 8200'--7400', Pump 425 sx Class "H" + .3% Retarder. (Wt--16.0#, Yld--0.99) (125% Excess)
- Production Casing:**
- Stage I:** TOC 7000' DV tool at 7000'. Lead with 1500 sacks Pecos Valley Lt (Wt--13.3 Yld--1.41) (150% Excess)
- Stage II:** TOC Surface' DV tool at 7000'. Lead with 1700 sacks Pecos Valley Lt (Wt--13.3 Yld--1.41) (145% Excess) Tail with 100 sx Class "H" (Wt--15.6#, Yld--1.18) Final cement volumes based on caliper of electric logs that will be run in the vertical pilot hole. Circulate to surface (145% Excess)

C. Mud Program and Auxiliary Equipment:

Interval	Type	Weight	Viscosity	Fluid Loss
0-400' 300'	Fresh Water	8.6-9.2	29-32	N/C
400'--3200'	Brine Water	10.0-10.2	28-28	N/C
3200'-7500'	Cut Brine	8.9-9.1	28-29	N/C
7500'-12738'	Cut Brine	8.9-9.1	32--38	<15cc

(Lateral Section)

Sufficient mud materials to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel and daily by a qualified mud engineer. Mud gas separator will be used below the 9 5/8" casing shoe.

5. Evaluation Program:

Samples: 30' samples to 6500'; 10' samples 6500'-TD

Logging: MWD-GR, *See COA*

Coring: None anticipated.

DST's: As warranted

Mudlogging: 6500' to TD

6. Abnormal Conditions, Bottom hole pressure and potential hazards:

Anticipated BHP:

From: 0	TO: 400'	Anticipated Max.	BHP: 290 PSI
From: 400'	TO: 3200'	Anticipated Max.	BHP: 1510 PSI
From: 3200'	TO: 12752'	Anticipated Max.	BHP: 3300 PSI

Abnormal pressures or temperatures anticipated: None

Lost Circulation Zones Anticipated: None

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 132 F. (at 12752' depth) (GR data to be used for temperature at the well site during drilling operations) (GR data to be used for temperature at the well site during drilling operations)

7. Anticipated Starting Date:

Plans are to drill this well as soon as possible after receiving approval and obtaining a drilling rig contract. It will take approximately 30 days to drill the well with completion taking another 21 days.

Evaluation Program:

Samples: 30' samples to 6500'; 10' samples 6500'-TD

Logging: MWD-GR

Coring: None anticipated

DST's: As warranted

Mudlogging: 6500' to TD

Abnormal Conditions, Bottom hole pressure and potential hazards:

From: 0	TO: 400'	Anticipated Max.	BHP: 290 PSI
From: 400'	TO: 3200'	Anticipated Max.	BHP: 1510 PSI
From: 3200'	TO: 12752'	Anticipated Max.	BHP: 3300 PSI

Abnormal pressures or temperatures anticipated: None

Lost Circulation Zones Anticipated: None

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 132 F. (at 12752' depth)

Anticipated Starting Date:

Plans are to drill this well as soon as possible after receiving approval and obtaining a drilling rig contract. It will take approximately 30 days to drill the well with completion taking another 21 days.



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Drilling Services

Proposal

MYCO INDUSTRIES, INC.

EAST TURKEY TRACK FEDERAL COM #8H

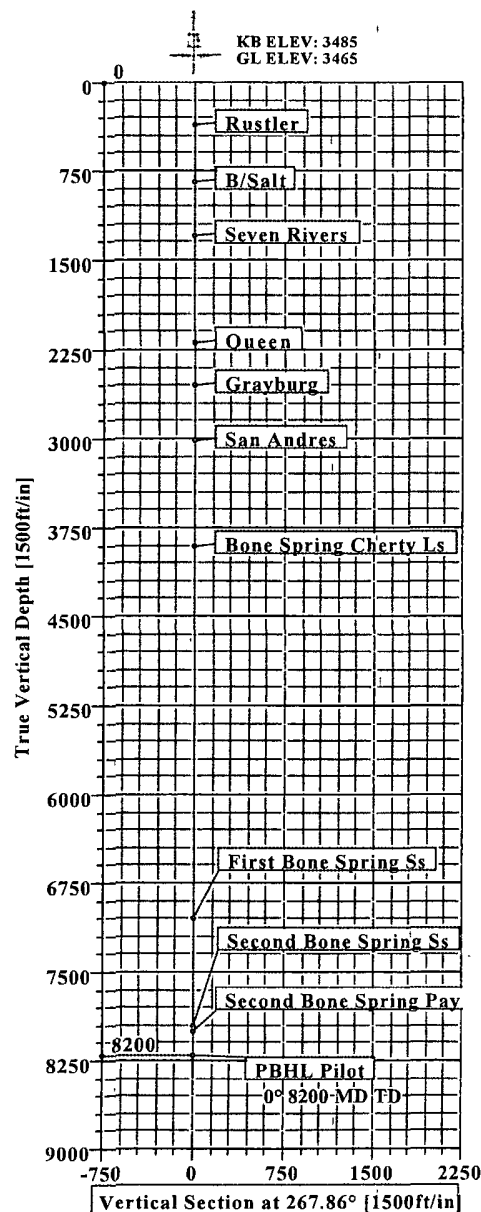
EDDY CO, NM

WELL FILE: **PILOT PLAN 1**
LATERAL PLAN 1

FEBRUARY 22, 2012

Weatherford International, Ltd.
P.O. Box 61028
Midland, TX 79711 USA
+1.432.561.8892 Main
+1.432.561.8895 Fax
www.weatherford.com

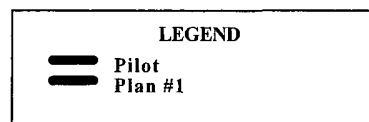
Myco Industries, Inc.
East Turkey Track Federal Com #8H
Eddy Co., NM



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	8200.00	0.00	0.00	8200.00	0.00	0.00	0.00	0.00	0.00	PBHL Pilot

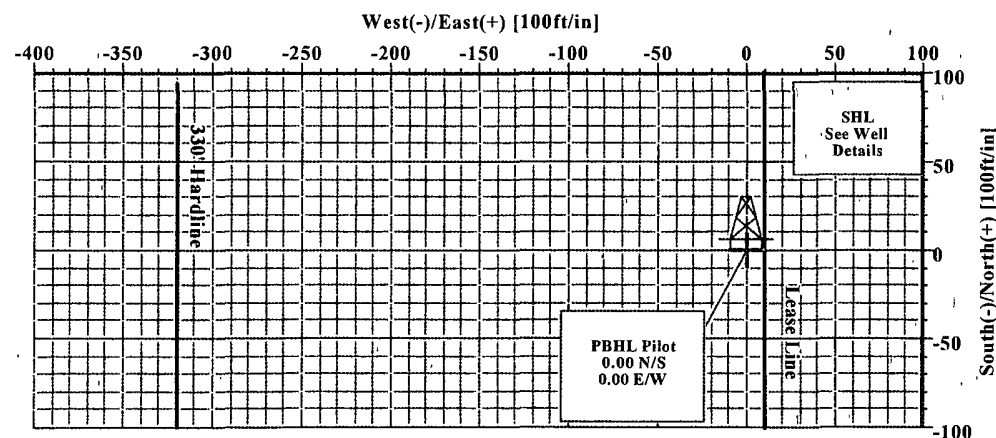
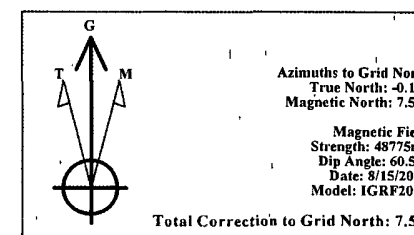
WELL DETAILS							
Name+N/-S	+E/-W	Nothing	Easting	Latitude	Longitude	Slot	
8H	0.00	0.00	627325.90	591323.90	32°43'27.348N	104°02'10.960W	N/A

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Nothing	Easting	Shape
PBHL Pilot	8200.00	0.00	0.00	627325.90	591323.90	Point



SITE DETAILS	
East Turkey Track Federal Com #8H	
Site Centre Northing:	627325.90
Easting:	591323.90
Ground Level:	3465.00
Positional Uncertainty:	0.00
Convergence:	0.16

FIELD DETAILS	
Eddy County, NM (Nad 27)	
Geodetic System:	US State Plane Coordinate System 1927
Ellipsoid:	NAD27 (Clarke 1866)
Zone:	New Mexico, Eastern Zone
Magnetic Model:	IGRF2010
System Datum:	Mean Sea Level
Local North:	Grid North



Weatherford

Plan: Plan #1 (8H/Pilot)
 Created By: Keith Noack
 Date: 2/22/2012

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Myco Industries, Inc.		Date: 2/22/2012		Time: 10:30.08		Page: 1	
Field: Eddy County, NM (Nad 27)		Co-ordinate(NE) Reference: Well: 8H, Grid North					
Site: East Turkey Track Federal Com #8H		Vertical (TVD) Reference: SITE 3485.0					
Well: 8H		Section (VS) Reference: Well (0.00N,0.00E,0.00Azi)					
Wellpath: Pilot		Survey Calculation Method: Minimum Curvature		Db: Sybase			

Plan: Plan #1	Date Composed: 2/22/2012
Principal: Yes	Version: 1
	Tied-to: From Surface

Field: Eddy County, NM (Nad 27)	
Map System: US State Plane Coordinate System 1927	Map Zone: New Mexico, Eastern Zone
Geo Datum: NAD27 (Clarke 1866)	Coordinate System: Well Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: IGRF2010

Site: East Turkey Track Federal Com #8H	
Site Position:	Northings: 627325.90 ft
From: Map	Easting: 591323.90 ft
Position Uncertainty: 0.00 ft	Latitude: 32 43 27.348 N
Ground Level: 3465.00 ft	Longitude: 104 2 10.960 W
	North Reference: Grid
	Grid Convergence: 0.16 deg

Well: 8H		Slot Name:	
Well Position: +N/-S 0.00 ft	Northings: 627325.90 ft	Latitude: 32 43 27.348 N	
+E/-W 0.00 ft	Easting: 591323.90 ft	Longitude: 104 2 10.960 W	
Position Uncertainty: 0.00 ft			

Wellpath: Pilot		Drilled From: Surface	
Current Datum: SITE	Height 3485.00 ft	Tie-on Depth: 0.00 ft	
Magnetic Data: 8/15/2012		Above System Datum: Mean Sea Level	
Field Strength: 48775 nT		Declination: 7.70 deg	
Vertical Section: Depth From (TVD)	+N/-S	Mag Dip Angle: 60.54 deg	
ft	ft	+E/-W	Direction
		ft	deg
0.00	0.00	0.00	0.00

Plan Section Information										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8200.00	0.00	0.00	8200.00	0.00	0.00	0.00	0.00	0.00	0.00	PBHL Pilot

Survey										
MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	627325.90	-591323.90	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
360.00	0.00	0.00	360.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Rustler
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	627325.90	591323.90	B/Salt
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1000.00	0.00	0.00	1000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1100.00	0.00	0.00	1100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1200.00	0.00	0.00	1200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1300.00	0.00	0.00	1300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Seven Rivers
1400.00	0.00	0.00	1400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1500.00	0.00	0.00	1500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Myco Industries, Inc.
Field: Eddy County, NM (Nad 27)
Site: East Turkey Track Federal Com #8H
Well: 8H
Wellpath: Pilot

Date: 2/22/2012
Co-ordinate(NE) Reference: Well: 8H, Grid North
Vertical (TVD) Reference: SITE 3485.0
Section (VS) Reference: Well (0.00N,0.00E,0.00Azi)
Survey Calculation Method: Minimum Curvature

Page: 2

Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
1700.00	0.00	0.00	1700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1800.00	0.00	0.00	1800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
1900.00	0.00	0.00	1900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2100.00	0.00	0.00	2100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2180.00	0.00	0.00	2180.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Queen
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2300.00	0.00	0.00	2300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2400.00	0.00	0.00	2400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2500.00	0.00	0.00	2500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2540.00	0.00	0.00	2540.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Grayburg
2600.00	0.00	0.00	2600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2700.00	0.00	0.00	2700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2800.00	0.00	0.00	2800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
2900.00	0.00	0.00	2900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3000.00	0.00	0.00	3000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3020.00	0.00	0.00	3020.00	0.00	0.00	0.00	0.00	627325.90	591323.90	San Andres
3100.00	0.00	0.00	3100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3200.00	0.00	0.00	3200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3300.00	0.00	0.00	3300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3400.00	0.00	0.00	3400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3500.00	0.00	0.00	3500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3600.00	0.00	0.00	3600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3700.00	0.00	0.00	3700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3800.00	0.00	0.00	3800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3900.00	0.00	0.00	3900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
3910.00	0.00	0.00	3910.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Bone Spring Cherty
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4100.00	0.00	0.00	4100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4200.00	0.00	0.00	4200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4300.00	0.00	0.00	4300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4400.00	0.00	0.00	4400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4500.00	0.00	0.00	4500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4600.00	0.00	0.00	4600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4700.00	0.00	0.00	4700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4800.00	0.00	0.00	4800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
4900.00	0.00	0.00	4900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5000.00	0.00	0.00	5000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5100.00	0.00	0.00	5100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5200.00	0.00	0.00	5200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5300.00	0.00	0.00	5300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5400.00	0.00	0.00	5400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5500.00	0.00	0.00	5500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5600.00	0.00	0.00	5600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5700.00	0.00	0.00	5700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5800.00	0.00	0.00	5800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
5900.00	0.00	0.00	5900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6000.00	0.00	0.00	6000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6100.00	0.00	0.00	6100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6200.00	0.00	0.00	6200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6300.00	0.00	0.00	6300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6400.00	0.00	0.00	6400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Myco Industries, Inc. Date: 2/22/2012 Time: 10:30:08 Page: 3
 Field: Eddy County, NM (Nad 27) Co-ordinate(NE) Reference: Well: 8H, Grid North
 Site: East Turkey Track Federal Com #8H Vertical (TVD) Reference: SITE 3485.0
 Well: 8H Section (VS) Reference: Well (0.00N,0.00E,0.00Azi)
 Wellpath: Pilot Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
6500.00	0.00	0.00	6500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6600.00	0.00	0.00	6600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6700.00	0.00	0.00	6700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6800.00	0.00	0.00	6800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
6900.00	0.00	0.00	6900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7000.00	0.00	0.00	7000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7045.00	0.00	0.00	7045.00	0.00	0.00	0.00	0.00	627325.90	591323.90	First Bone Spring
7100.00	0.00	0.00	7100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7200.00	0.00	0.00	7200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7300.00	0.00	0.00	7300.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7400.00	0.00	0.00	7400.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7500.00	0.00	0.00	7500.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7600.00	0.00	0.00	7600.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7700.00	0.00	0.00	7700.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7800.00	0.00	0.00	7800.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7900.00	0.00	0.00	7900.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
7955.00	0.00	0.00	7955.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Second Bone Spring
8000.00	0.00	0.00	8000.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
8005.00	0.00	0.00	8005.00	0.00	0.00	0.00	0.00	627325.90	591323.90	Second Bone Spring
8100.00	0.00	0.00	8100.00	0.00	0.00	0.00	0.00	627325.90	591323.90	
8200.00	0.00	0.00	8200.00	0.00	0.00	0.00	0.00	627325.90	591323.90	PBHL Pilot

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	Latitude Deg Min Sec	Longitude Deg Min Sec
PBHL Pilot			8200.00	0.00	0.00	627325.90	591323.90	32 43 27.348 N	104 2 10.960 W
-Plan hit target									

Casing Points

MD	TVD	Diameter	Hole Size	Name

Annotation

MD ft	TVD ft	
8200.00	8200.00	PBHL Pilot

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
360.00	360.00	Rustler		0.00	0.00
850.00	850.00	B/Salt		0.00	0.00
1300.00	1300.00	Seven Rivers		0.00	0.00
2180.00	2180.00	Queen		0.00	0.00
2540.00	2540.00	Grayburg		0.00	0.00
3020.00	3020.00	San Andres		0.00	0.00
3910.00	3910.00	Bone Spring Cherty Ls		0.00	0.00
7045.00	7045.00	First Bone Spring Ss		0.00	0.00
7955.00	7955.00	Second Bone Spring Ss		0.00	0.00
8005.00	8005.00	Second Bone Spring Pay		0.00	0.00

Myco Industries, Inc.
East Turkey Track Federal Com #8H
Eddy Co., NM

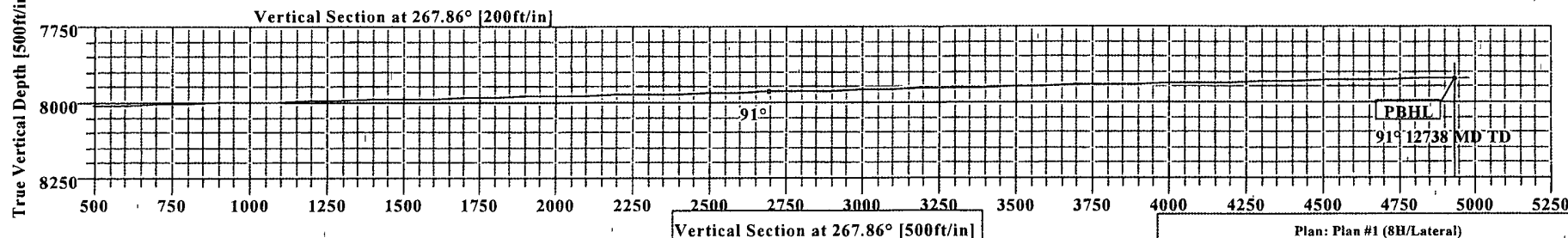
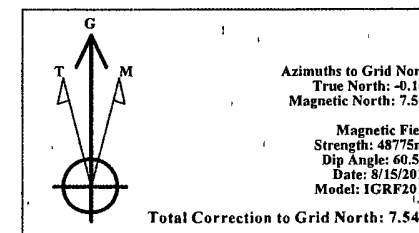
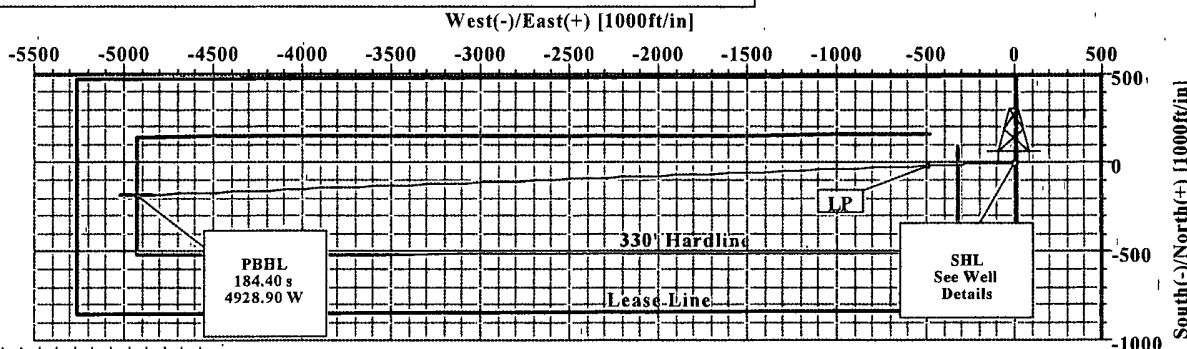
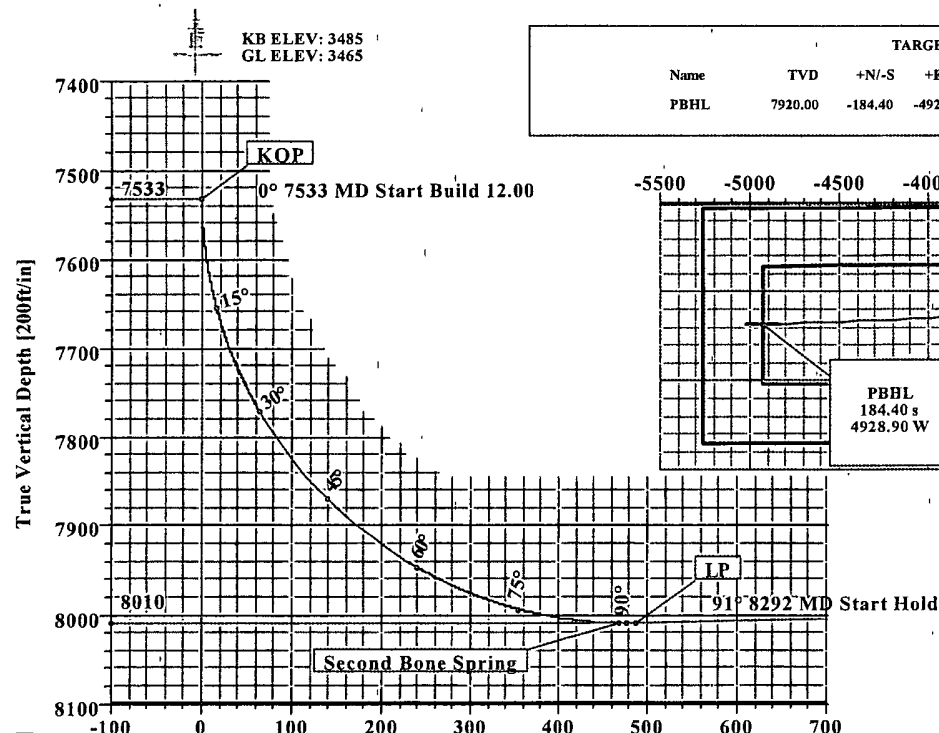
SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	267.86	0.00	0.00	0.00	0.00	0.00	0.00	
2	7532.63	0.00	267.86	7532.63	0.00	0.00	0.00	0.00	0.00	
3	8292.30	91.16	267.86	8010.00	-18.21	-486.79	12.00	267.86	487.13	
4	12738.42	91.16	267.86	7920.00	-184.40	-4928.90	0.00	0.00	4932.35	PBHL

SITE DETAILS	
East Turkey Track Federal Com #8H	
Site Centre Northing:	627325.90
Easting:	591323.90
Ground Level:	3465.00
Positional Uncertainty:	0.00
Convergence:	0.16

WELL DETAILS							
Name+N/-S		+E/-W	Northing	Easting	Latitude	Longitude	Slot
8H	0.00	0.00	627325.90	591323.90	32°43'27.348N	104°02'10.960W	N/A

FIELD DETAILS	
Eddy County, NM (Nad 27)	
Geodetic System:	US State Plane Coordinate System 1927
Ellipsoid:	NAD27 (Clarke 1866)
Zone:	New Mexico, Eastern Zone
Magnetic Model:	IGRF2010
System Datum:	Mean Sea Level
Local North:	Grid North

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL	7920.00	-184.40	-4928.90	627141.50	586395.00	Point



Created By: Keith Noack Date: 2/22/2012

Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Myco Industries, Inc. Field: Eddy County, NM (Nad 27) Site: East Turkey Track Federal Com #8H Well: 8H Wellpath: Lateral		Date: 2/22/2012 Co-ordinate(NE) Reference: Well: 8H, Grid North Vertical (TVD) Reference: SITE 3485.0 Section (VS) Reference: Well (0.00N,0.00E,267.86Azi) Survey Calculation Method: Minimum Curvature		Time: 11:12:55 Page: 1 Db: Sybase																																																																																																																																																																																																																	
Plan: Plan #1 Principal: Yes		Date Composed: 2/22/2012 Version: 1 Tied-to: From Surface																																																																																																																																																																																																																			
Field: Eddy County, NM (Nad 27) Map System: US State Plane Coordinate System 1927 Geo Datum: NAD27 (Clarke 1866) Sys Datum: Mean Sea Level																																																																																																																																																																																																																					
Site: East Turkey Track Federal Com #8H Site Position: Northing: 627325.90 ft Latitude: 32 43 27.348 N From: Map Easting: 591323.90 ft Longitude: 104 2 10.960 W Position Uncertainty: 0.00 ft North Reference: Grid Ground Level: 3465.00 ft Grid Convergence: 0.16 deg																																																																																																																																																																																																																					
Well: 8H Slot Name: Well Position: +N/-S 0.00 ft Northing: 627325.90 ft Latitude: 32 43 27.348 N +E/-W 0.00 ft Easting: 591323.90 ft Longitude: 104 2 10.960 W Position Uncertainty: 0.00 ft																																																																																																																																																																																																																					
Wellpath: Lateral Drilled From: Pilot Current Datum: SITE Height 3485.00 ft Tie-on Depth: 0.00 ft Magnetic Data: 8/15/2012 Above System Datum: Mean Sea Level Field Strength: 48775 nT Declination: 7.70 deg Vertical Section: Depth From (TVD) - +N/-S Mag Dip Angle: 60.54 deg ft ft ft +E/-W Direction 0.00 0.00 0.00 267.86 deg																																																																																																																																																																																																																					
Plan Section Information <table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>MD</th> <th>Incl</th> <th>Azim</th> <th>TVD</th> <th>+N/-S</th> <th>+E/-W</th> <th>DLS</th> <th>Build</th> <th>Turn</th> <th>TFO</th> <th>Target</th> </tr> <tr> <th>ft</th> <th>deg</th> <th>deg</th> <th>ft</th> <th>ft</th> <th>ft</th> <th>deg/100ft</th> <th>deg/100ft</th> <th>deg/100ft</th> <th>deg</th> <th></th> </tr> </thead> <tbody> <tr> <td>0.00</td> <td>0.00</td> <td>267.86</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td></td> </tr> <tr> <td>7532.63</td> <td>0.00</td> <td>267.86</td> <td>7532.63</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td></td> </tr> <tr> <td>8292.30</td> <td>91.16</td> <td>267.86</td> <td>8010.00</td> <td>-18.21</td> <td>-486.79</td> <td>12.00</td> <td>12.00</td> <td>0.00</td> <td>267.86</td> <td></td> </tr> <tr> <td>12738.42</td> <td>91.16</td> <td>267.86</td> <td>7920.00</td> <td>-184.40</td> <td>-4928.90</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>PBHL</td> </tr> </tbody> </table>					MD	Incl	Azim	TVD	+N/-S	+E/-W	DLS	Build	Turn	TFO	Target	ft	deg	deg	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg		0.00	0.00	267.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00		7532.63	0.00	267.86	7532.63	0.00	0.00	0.00	0.00	0.00	0.00		8292.30	91.16	267.86	8010.00	-18.21	-486.79	12.00	12.00	0.00	267.86		12738.42	91.16	267.86	7920.00	-184.40	-4928.90	0.00	0.00	0.00	0.00	PBHL																																																																																																																																															
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<td>20.08</td> <td>267.86</td> <td>7696.59</td> <td>-1.09</td> <td>-29.02</td> <td>29.04</td> <td>12.00</td> <td>627324.81</td> <td>591294.88</td> <td></td> </tr> <tr> <td>7800.00</td> <td>32.08</td> <td>267.86</td> <td>7786.24</td> <td>-2.73</td> <td>-72.87</td> <td>72.92</td> <td>12.00</td> <td>627323.17</td> <td>591251.03</td> <td></td> </tr> <tr> <td>7900.00</td> <td>44.08</td> <td>267.86</td> <td>7864.81</td> <td>-5.03</td> <td>-134.40</td> <td>134.49</td> <td>12.00</td> <td>627320.87</td> <td>591189.50</td> <td></td> </tr> <tr> <td>8000.00</td> <td>56.08</td> <td>267.86</td> <td>7928.86</td> <td>-7.89</td> <td>-210.91</td> <td>211.05</td> <td>12.00</td> <td>627318.01</td> <td>591112.99</td> <td></td> </tr> <tr> <td>8100.00</td> <td>68.08</td> <td>267.86</td> <td>7975.59</td> <td>-11.19</td> <td>-299.05</td> <td>299.26</td> <td>12.00</td> <td>627314.71</td> <td>591024.85</td> <td></td> </tr> <tr> <td>8200.00</td> <td>80.08</td> <td>267.86</td> <td>8002.96</td> <td>-14.78</td> <td>-394.97</td> <td>395.25</td> <td>12.00</td> <td>627311.12</td> <td>590928.93</td> <td></td> </tr> <tr> <td>8273.11</td> <td>88.86</td> <td>267.86</td> <td>8010.00</td> <td>-17.49</td> <td>-467.62</td> <td>467.95</td> <td>12.00</td> <td>627308.41</td> <td>590856.28</td> <td>Second Bone Spring</td> </tr> <tr> <td>8292.30</td> <td>91.16</td> <td>267.86</td> <td>8010.00</td> <td>-18.21</td> <td>-486.79</td> <td>487.13</td> <td>12.00</td> <td>627307.69</td> <td>590837.11</td> <td>LP</td> </tr> <tr> <td>8300.00</td> <td>91.16</td> <td>267.86</td> <td>8009.84</td> <td>-18.50</td> <td>-494.49</td> <td>494.83</td> <td>0.00</td> <td>627307.40</td> <td>590829.41</td> <td></td> </tr> <tr> <td>8400.00</td> <td>91.16</td> <td>267.86</td> <td>8007.82</td> <td>-22.24</td> <td>-594.40</td> <td>594.81</td> <td>0.00</td> <td>627303.66</td> <td>590729.50</td> <td></td> </tr> <tr> <td>8500.00</td> <td>91.16</td> <td>267.86</td> <td>8005.79</td> <td>-25.98</td> <td>-694.31</td> <td>694.79</td> <td>0.00</td> <td>627299.92</td> <td>590629.59</td> <td></td> </tr> <tr> <td>8600.00</td> <td>91.16</td> <td>267.86</td> <td>8003.77</td> <td>-29.71</td> <td>-794.22</td> <td>794.77</td> <td>0.00</td> <td>627296.19</td> <td>590529.68</td> <td></td> </tr> <tr> <td>8700.00</td> <td>91.16</td> <td>267.86</td> <td>8001.74</td> <td>-33.45</td> <td>-894.13</td> <td>894.75</td> <td>0.00</td> <td>627292.45</td> <td>590429.77</td> <td></td> </tr> <tr> <td>8800.00</td> <td>91.16</td> <td>267.86</td> <td>7999.72</td> <td>-37.19</td> <td>-994.03</td> <td>994.73</td> <td>0.00</td> <td>627288.71</td> <td>590329.87</td> <td></td> </tr> </tbody> </table>					MD	Incl	Azim	TVD	N/S	E/W	VS	DLS	MapN	MapE	Comment	ft	deg	deg	ft	ft	ft	ft	deg/100ft	ft	ft		7500.00	0.00	267.86	7500.00	0.00	0.00	0.00	0.00	627325.90	591323.90		7532.63	0.00	267.86	7532.63	0.00	0.00	0.00	0.00	627325.90	591323.90	KOP	7600.00	8.08	267.86	7599.78	-0.18	-4.74	4.75	12.00	627325.72	591319.16		7700.00	20.08	267.86	7696.59	-1.09	-29.02	29.04	12.00	627324.81	591294.88		7800.00	32.08	267.86	7786.24	-2.73	-72.87	72.92	12.00	627323.17	591251.03		7900.00	44.08	267.86	7864.81	-5.03	-134.40	134.49	12.00	627320.87	591189.50		8000.00	56.08	267.86	7928.86	-7.89	-210.91	211.05	12.00	627318.01	591112.99		8100.00	68.08	267.86	7975.59	-11.19	-299.05	299.26	12.00	627314.71	591024.85		8200.00	80.08	267.86	8002.96	-14.78	-394.97	395.25	12.00	627311.12	590928.93		8273.11	88.86	267.86	8010.00	-17.49	-467.62	467.95	12.00	627308.41	590856.28	Second Bone Spring	8292.30	91.16	267.86	8010.00	-18.21	-486.79	487.13	12.00	627307.69	590837.11	LP	8300.00	91.16	267.86	8009.84	-18.50	-494.49	494.83	0.00	627307.40	590829.41		8400.00	91.16	267.86	8007.82	-22.24	-594.40	594.81	0.00	627303.66	590729.50		8500.00	91.16	267.86	8005.79	-25.98	-694.31	694.79	0.00	627299.92	590629.59		8600.00	91.16	267.86	8003.77	-29.71	-794.22	794.77	0.00	627296.19	590529.68		8700.00	91.16	267.86	8001.74	-33.45	-894.13	894.75	0.00	627292.45	590429.77		8800.00	91.16	267.86	7999.72	-37.19	-994.03	994.73	0.00	627288.71	590329.87	
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Weatherford International Ltd.

WFT Plan Report - X & Y's



Weatherford

Company: Myco Industries, Inc.
Field: Eddy County, NM (Nad 27)
Site: East Turkey Track Federal Com #8H
Well: 8H
Wellpath: Lateral

Date: 2/22/2012 Time: 11:12:55 Page: 2
Co-ordinate(NE) Reference: Well: 8H, Grid North
Vertical (TVD) Reference: SITE 3485.0
Section (VS) Reference: Well (0.00N,0.00E,267.86Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	MapN ft	MapE ft	Comment
8900.00	91.16	267.86	7997.70	-40.93	-1093.94	1094.71	0.00	627284.97	590229.96	
9000.00	91.16	267.86	7995.67	-44.66	-1193.85	1194.69	0.00	627281.24	590130.05	
9100.00	91.16	267.86	7993.65	-48.40	-1293.76	1294.67	0.00	627277.50	590030.14	
9200.00	91.16	267.86	7991.62	-52.14	-1393.67	1394.65	0.00	627273.76	589930.23	
9300.00	91.16	267.86	7989.60	-55.88	-1493.58	1494.63	0.00	627270.02	589830.32	
9400.00	91.16	267.86	7987.58	-59.62	-1593.49	1594.61	0.00	627266.28	589730.41	
9500.00	91.16	267.86	7985.55	-63.35	-1693.40	1694.59	0.00	627262.55	589630.50	
9600.00	91.16	267.86	7983.53	-67.09	-1793.31	1794.57	0.00	627258.81	589530.59	
9700.00	91.16	267.86	7981.50	-70.83	-1893.22	1894.55	0.00	627255.07	589430.68	
9800.00	91.16	267.86	7979.48	-74.57	-1993.13	1994.53	0.00	627251.33	589330.77	
9900.00	91.16	267.86	7977.45	-78.30	-2093.04	2094.50	0.00	627247.60	589230.86	
10000.00	91.16	267.86	7975.43	-82.04	-2192.95	2194.48	0.00	627243.86	589130.95	
10100.00	91.16	267.86	7973.41	-85.78	-2292.86	2294.46	0.00	627240.12	589031.04	
10200.00	91.16	267.86	7971.38	-89.52	-2392.77	2394.44	0.00	627236.38	588931.13	
10300.00	91.16	267.86	7969.36	-93.26	-2492.68	2494.42	0.00	627232.64	588831.22	
10400.00	91.16	267.86	7967.33	-96.99	-2592.59	2594.40	0.00	627228.91	588731.31	
10500.00	91.16	267.86	7965.31	-100.73	-2692.50	2694.38	0.00	627225.17	588631.40	
10600.00	91.16	267.86	7963.29	-104.47	-2792.41	2794.36	0.00	627221.43	588531.49	
10700.00	91.16	267.86	7961.26	-108.21	-2892.32	2894.34	0.00	627217.69	588431.58	
10800.00	91.16	267.86	7959.24	-111.95	-2992.23	2994.32	0.00	627213.95	588331.67	
10900.00	91.16	267.86	7957.21	-115.68	-3092.14	3094.30	0.00	627210.22	588231.76	
11000.00	91.16	267.86	7955.19	-119.42	-3192.05	3194.28	0.00	627206.48	588131.85	
11100.00	91.16	267.86	7953.16	-123.16	-3291.96	3294.26	0.00	627202.74	588031.94	
11200.00	91.16	267.86	7951.14	-126.90	-3391.87	3394.24	0.00	627199.00	587932.03	
11300.00	91.16	267.86	7949.12	-130.63	-3491.78	3494.22	0.00	627195.27	587832.12	
11400.00	91.16	267.86	7947.09	-134.37	-3591.68	3594.20	0.00	627191.53	587732.22	
11500.00	91.16	267.86	7945.07	-138.11	-3691.59	3694.18	0.00	627187.79	587632.31	
11600.00	91.16	267.86	7943.04	-141.85	-3791.50	3794.16	0.00	627184.05	587532.40	
11700.00	91.16	267.86	7941.02	-145.59	-3891.41	3894.14	0.00	627180.31	587432.49	
11800.00	91.16	267.86	7939.00	-149.32	-3991.32	3994.12	0.00	627176.58	587332.58	
11900.00	91.16	267.86	7936.97	-153.06	-4091.23	4094.10	0.00	627172.84	587232.67	
12000.00	91.16	267.86	7934.95	-156.80	-4191.14	4194.07	0.00	627169.10	587132.76	
12100.00	91.16	267.86	7932.92	-160.54	-4291.05	4294.05	0.00	627165.36	587032.85	
12200.00	91.16	267.86	7930.90	-164.27	-4390.96	4394.03	0.00	627161.63	586932.94	
12300.00	91.16	267.86	7928.87	-168.01	-4490.87	4494.01	0.00	627157.89	586833.03	
12400.00	91.16	267.86	7926.85	-171.75	-4590.78	4593.99	0.00	627154.15	586733.12	
12500.00	91.16	267.86	7924.83	-175.49	-4690.69	4693.97	0.00	627150.41	586633.21	
12600.00	91.16	267.86	7922.80	-179.23	-4790.60	4793.95	0.00	627146.67	586533.30	
12700.00	91.16	267.86	7920.78	-182.96	-4890.51	4893.93	0.00	627142.94	586433.39	
12738.42	91.16	267.86	7920.00	-184.40	-4928.90	4932.35	0.00	627141.50	586395.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	Latitude Deg Min Sec			Longitude Deg Min Sec		
PBHL			7920.00	-184.40	-4928.90	627141.50	586395.00	32	43	25.656 N	104	3	8.663 W

Weatherford International Ltd.

WFT Plan Report - X & Y's

**Weatherford**

Company:	Myco Industries, Inc.	Date:	2/22/2012	Time:	11:12:55	Page:	3
Field:	Eddy County, NM (Nad 27)	Co-ordinate(NE) Reference:	Well: 8H, Grid North				
Site:	East Turkey Track Federal Com #8H	Vertical (TVD) Reference:	SITE 3485.0				
Well:	8H	Section (VS) Reference:	Well (0.00N,0.00E,267.86Azi)				
Wellpath:	Lateral	Survey Calculation Method:	Minimum Curvature Db: Sybase				

Casing Points

MD	TVD	Diameter	Hole Size	Name

Annotation

MD ft	TVD ft	
7532.63	7532.63	KOP
8292.30	8010.00	LP
12738.42	7920.00	PBHL

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
8273.11	8010.00	Second Bone Spring		0.00	0.00

**Weatherford®****Weatherford Drilling Services**

GeoDec v5.03

Report Date: February 22, 2012
Job Number: _____
Customer: Myco Industries, Inc.
Well Name: East Turkey Track Federal Com #8H
API Number: _____
Rig Name: _____
Location: Eddy County, NM (Nad 27)
Block: _____
Engineer: KRN

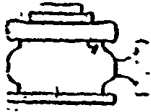
US State Plane 1927	Geodetic Latitude / Longitude
System: New Mexico East 3001 (NON-EXACT)	System: Latitude / Longitude
Projection: SPC27 Transverse Mercator	Projection: Geodetic Latitude and Longitude
Datum: NAD 1927 (NADCON CONUS)	Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866	Ellipsoid: Clarke 1866
North/South 627325.900 USFT	Latitude 32.7242633 DEG
East/West 591323.900 USFT	Longitude -104.0363778 DEG
Grid Convergence: .16°	
Total Correction: +7.54°	

Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude = 32.72426° N	32° 43 min 27.348 sec	
Longitude = 104.03638° W	104° 2 min 10.960 sec	

Magnetic Declination =	7.70°	[True North Offset]
Local Gravity =	.9989 g	Checksum = 6631
Local Field Strength =	48771 nT	Magnetic Vector X = 23770 nT
Magnetic Dip =	60.54°	Magnetic Vector Y = 3212 nT
Magnetic Model =	IGRF-2010g11	Magnetic Vector Z = 42465 nT
Spud Date =	Aug 15, 2012	Magnetic Vector H = 23986 nT

Signed: _____

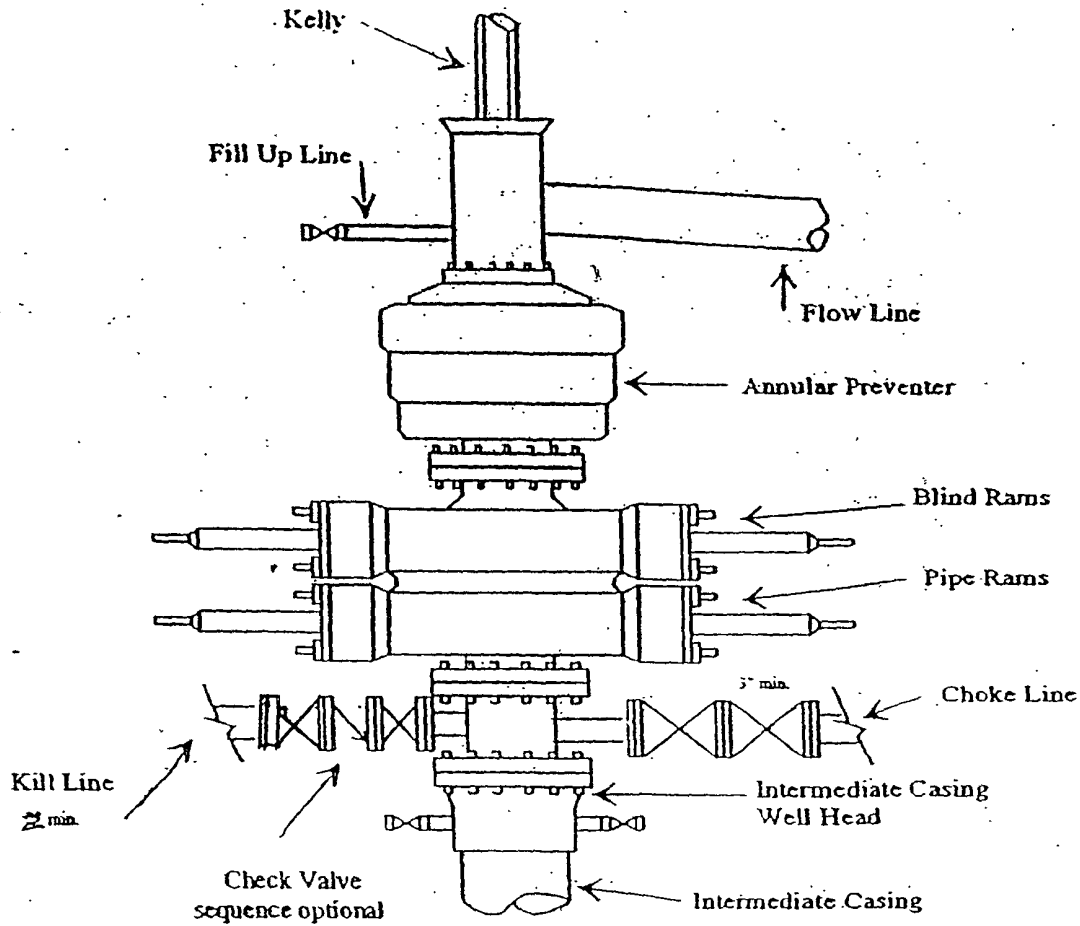
Date: _____



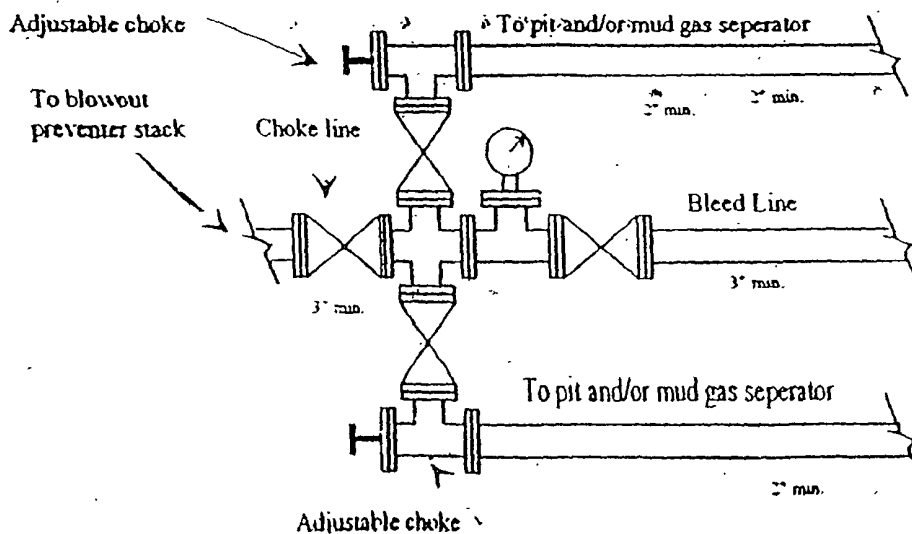
MYCO INDUSTRIES, INC.

BOP-3

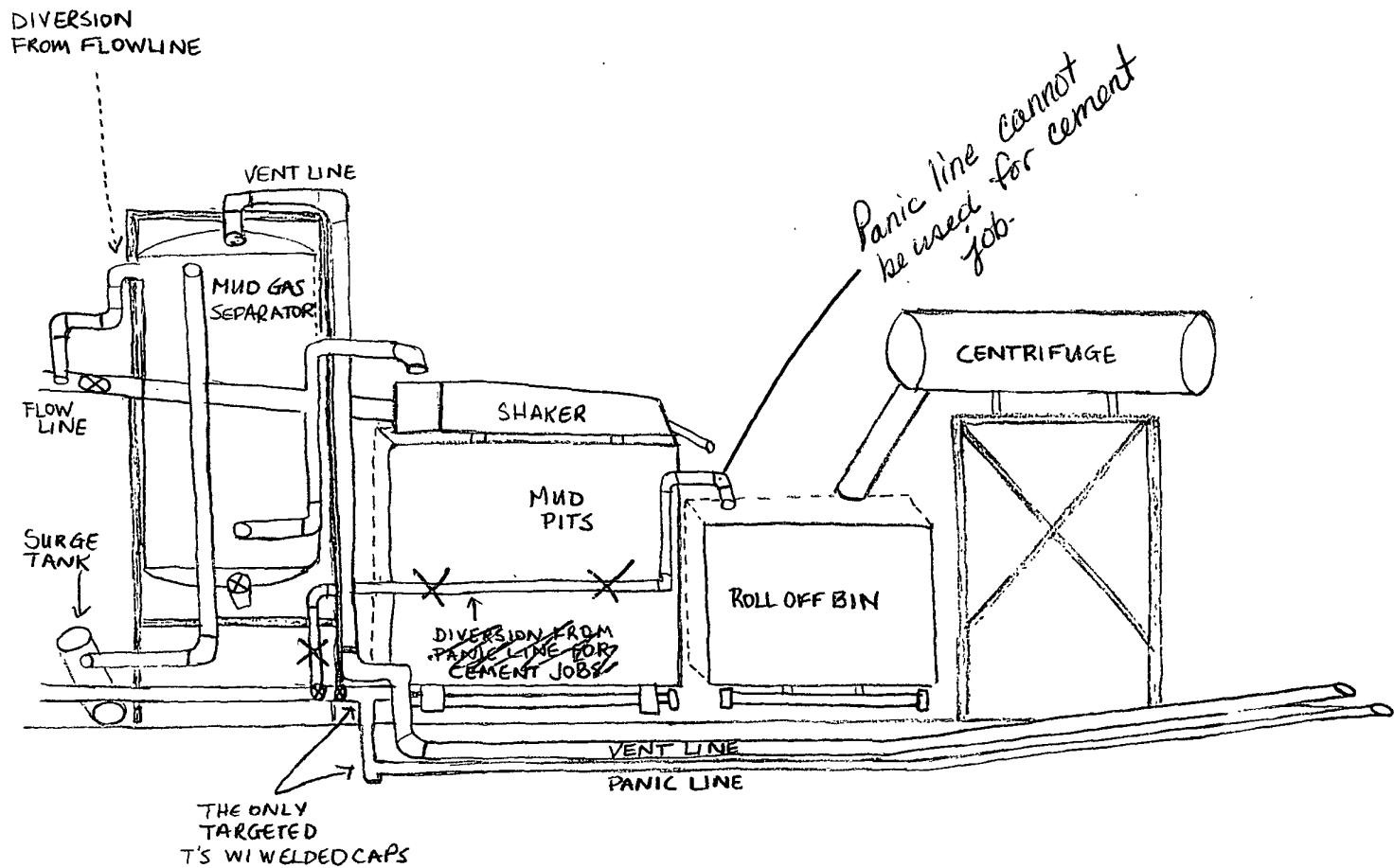
Typical 3,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

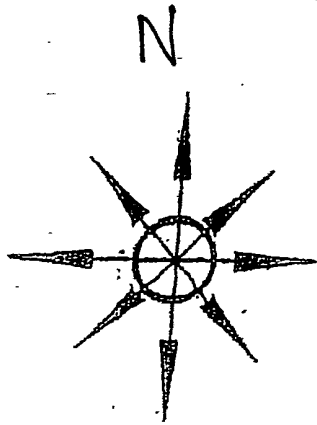


Typical 3,000 psi choke manifold assembly with at least these minimum features



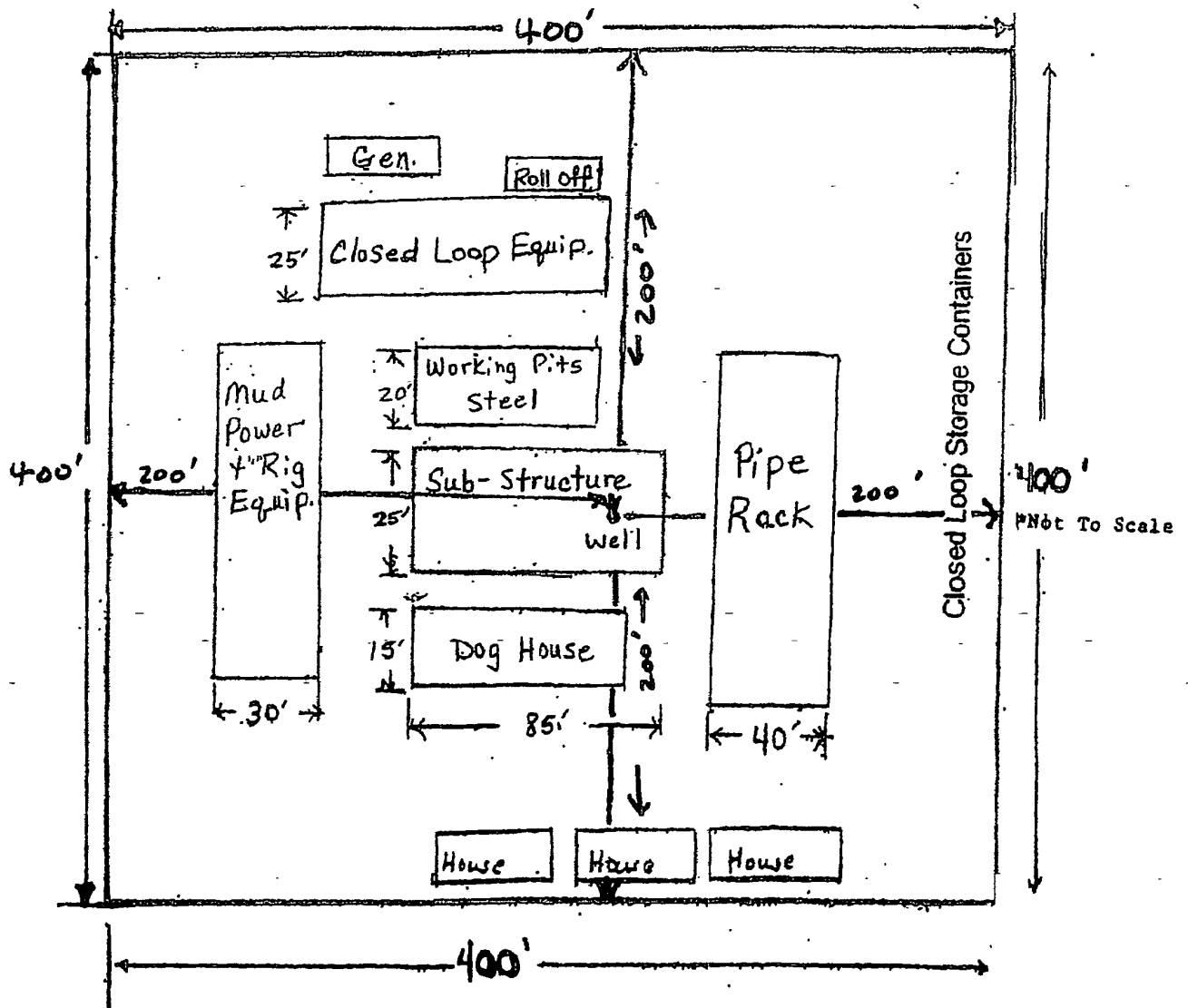
MYCO INDUSTRIES, INC.
Piping from Choke Manifold
to the Closed-Loop Drilling Mud System





MYCO INDUSTRIES, INC.
Location Layout for Permian Basin

Closed Loop Design Plan



MYCO INDUSTRIES, INC.

CLOSED-LOOP DESIGN PLAN

Myco Industries, Inc. ("Myco") shall design and construct its closed-loop system closed-loop system to ensure the confinement of oil, gas or water to prevent uncontrolled releases.

The design plan for the closed-loop system shall use appropriate engineering principles and practices and follow applicable manufacturers' requirements. The plan shall include operating and maintenance procedures and a closure plan, as set out below. For further information on the closed-loop system design, please see the attached diagram.

Myco's closed loop system will not use a drying pad, temporary pit, below grade tank or sump. It will use an aboveground haul-off bin suitable for holding solids and fluids from rig operations. No fencing will be constructed around the closed-loop system. Signage shall be posted per the C-144 form to which this plan is attached.

CLOSED-LOOP OPERATING AND MAINTENANCE PLAN

Myco shall operate and maintain the closed-loop system in a manner that will contain solids and liquids, maintain the system's integrity, prevent contamination of fresh water and protect public health and the environment. To attain this goal, the following procedures will be followed:

1. Myco shall recycle, reuse or reclaim or dispose of all drilling fluids in a manner approved by NMOCD rules.
2. Myco shall not discharge into or store any hazardous waste in the closed-loop system, including the haul-off bin, nor shall it allow miscellaneous solid waste or debris into same.
3. The haul-off bin will be of sufficient volume to maintain a safe freeboard prior to disposal of the solids and liquids from rig operations. Disposal will be done on a periodic basis, whenever a haul-off bin is determined to be at full volume capacity. The solids and liquids in the closed-loop system will be transported off the drill site and disposed at the NMOCD-permitted disposal facility or facilities listed below. The designated NMOCD-permitted disposal facility is:

Disposal Facility:
Controlled Recovery, Inc.

NMOCD Permit No.:
NM-01-0006

4. The closed-loop system will be inspected at least daily while the drilling or workover rig is on-site. Myco shall maintain a log of such inspections.
5. If some component of the closed-loop system develops a leak, or if any penetration of a component occurs below the liquid's surface, then Myco shall promptly remove all liquid above the damage or leak line, notify the appropriate NMOCD district office within 48 hours of the discovery and repair the damage or replace the affected closed-loop system component.

CLOSED-LOOP CLOSURE PLAN

The closure for this drill site is not subject to the closure requirements for temporary pits specified in Subsection B of 19.15.17.13, NMAC, as Myco will not use any temporary pits in conjunction with its closed-loop system. The closure for this drill site is not subject to the closure requirements for closed-loop systems using drying pads specified in Subsection D of 19.15.17.13, NMAC, as Myco will not use any drying pads in conjunction with its closed-loop system. Further, the closed-loop system operations and associated activities will all be performed on the drilling pad, and will not be performed on or in areas that will not be used for future service and operations. The closure for the closed-loop system at this site will be performed as follows:

1. Immediately following termination of rig operations, all solids and liquids remaining in the closed-loop system will be transported in the haul-off bin or bins to the NMOCD-permitted facility(ies) listed above.
2. The closed-loop system components, including any and all haul-off bins, will be removed from the location in conjunction with the move of the drilling or completion rig from the well site.
3. Within six months from the date that CWEI releases the drilling or workover rig, Myco will complete and execute items 9 and 10 of the attached C-144 CLEZ and file same with the appropriate NMOCD district office.

Myco Industries, Inc.

**423 W. Main Street
Artesia, NM 88210**

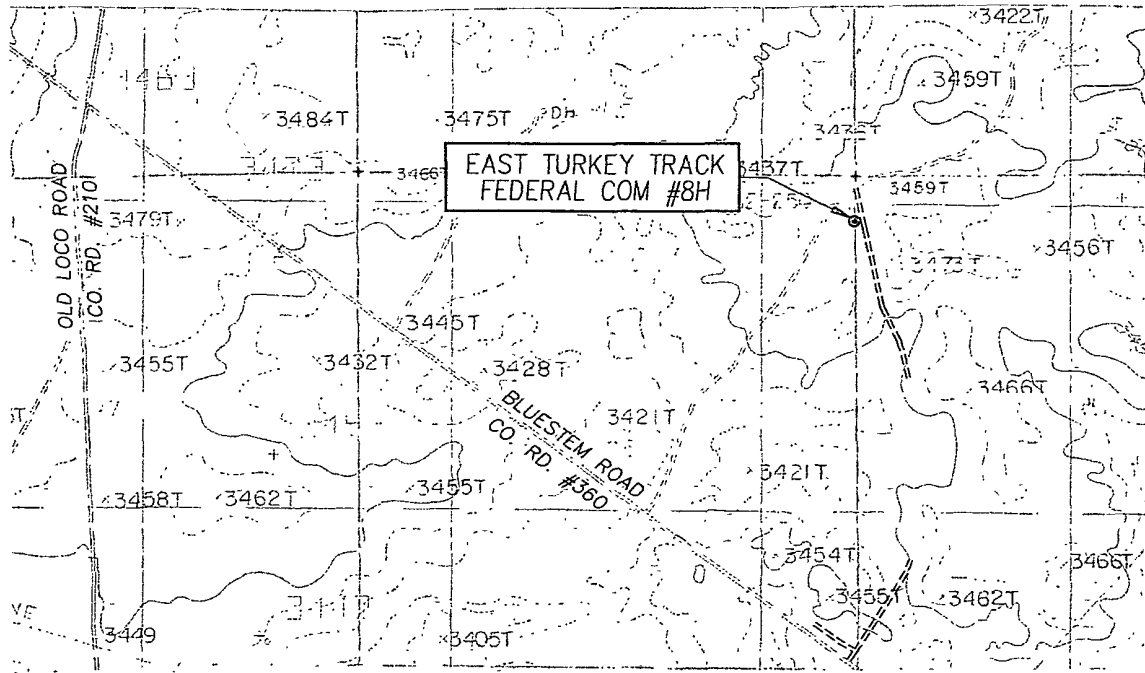
Hydrogen Sulfide (H₂S) Contingency Plan

For

East Turkey Track Federal Com #8H

**490' FNL & 10' FEL
Sec-26, T-18S, R-29E
Eddy County NM**

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.



100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the case of a release of gas containing H₂S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H₂S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H₂S monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

Myco personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Myco Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Myco Industries, Inc. Phone Numbers

Myco Office(575) 748-4280
Nelson Muncy/Operations Engineering Manager(575) 748-4289
.....(575) 308-3502
Carlos Guerrero/Field Supervisor(575) 746-7318
.....(575) 703-7318
Artesia Answering Service(575) 748-4302
(During non-office hours)

Agency Call List

Eddy County (575)

Artesia

State Police746-2703
City Police.....746-2703
Sheriff's Office746-9888
Ambulance911
Fire Department746-2701
LEPC (Local Emergency Planning Committee)746-2122
NMOCD.....748-1283

Carlsbad

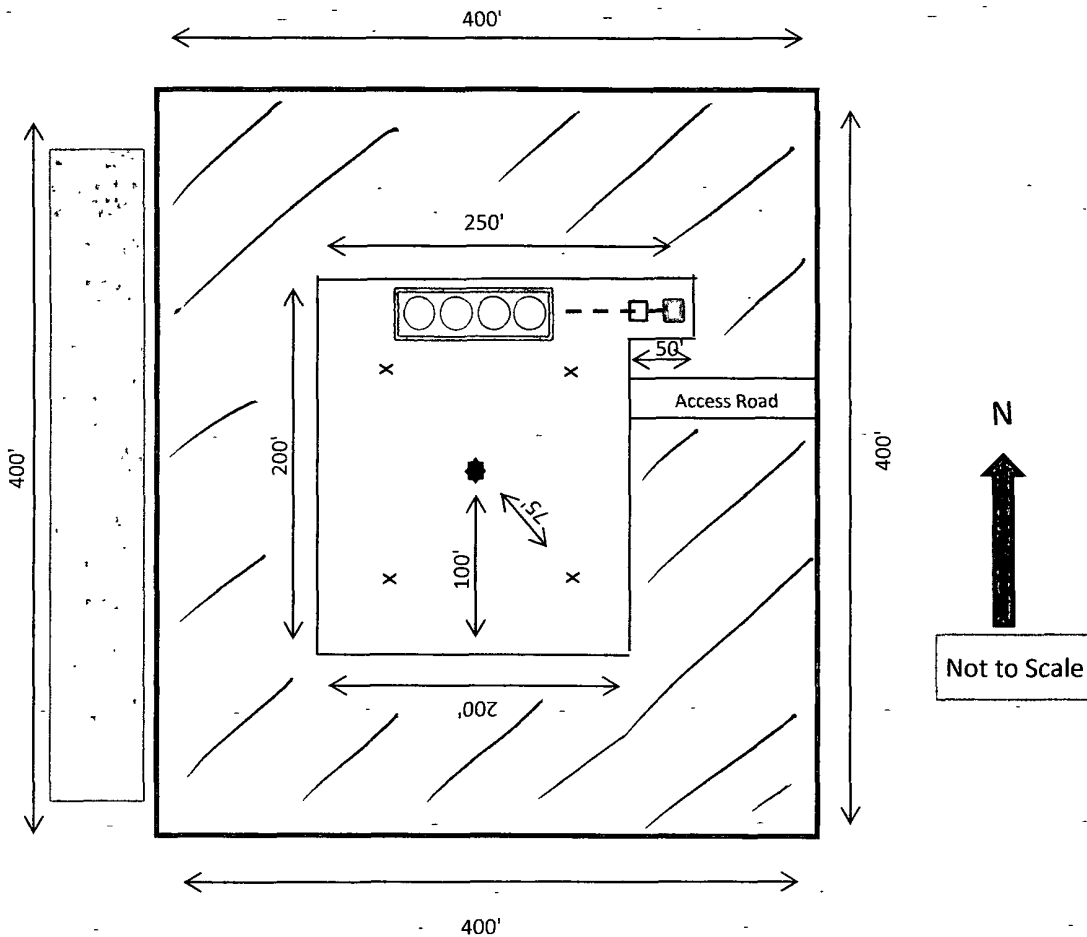
State Police885-3137
City Police.....885-2111
Sheriff's Office887-7551
Ambulance911
Fire Department885-2111
LEPC (Local Emergency Planning Committee)..... 887-3798
US Bureau of Land Management 887-6544

New Mexico Emergency Response Commission (Santa Fe) (505)476-9600
24 HR (505) 827-9126
New Mexico State Emergency Operations Center..... (505) 476-9635
National Emergency Response Center (Washington, DC) ... (800) 424-8802

Other

Boots & Coots IWC1-800-256-9688 or (281) 931-8884
Cudd Pressure Control.....(915) 699-0139 or (915) 563-3356
Halliburton(575) 746-2757
B. J. Services.....(575) 746-3569

Flight For Life -4000 24th St, Lubbock, TX(806) 743-9911
Aerocare -Rr 3 Box 49f, Lubbock, TX(806) 747-8923
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuq, NM(505) 842-4433
S B Air Med Svc 2505 Clark Carr Loop SE, Albuq, NM(505) 842-4949



Legend	
	Well Location
	Anchors
	Soil Stockpile
	Flowline
	Area of Interim Rec.
	Fire Wall (40' x 100')
	Heater Treater (6')
	Gas Sales Meter
	500 BBL Oil
	500 BBL Water

MYCO Industries, Inc.

East Turkey Track Fed Com #8H
Drilling & Production Pad Plat

T18S-R29E-Section 26
Eddy County, New Mexico

EXHIBIT 6

TEN
3/9/12

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MYCO INDUSTRIES
LEASE NO.:	NM0437522
WELL NAME & NO.:	8H EAST TURKEY TRACK FED COM
SURFACE HOLE FOOTAGE:	490' FNL & 10' FEL
BOTTOM HOLE FOOTAGE:	660' FNL & 330' FWL
LOCATION:	Section 26, T.18 S., R.29 E., NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Well Pad Construction Requirement
 - Production Facility Requirement
 - Lesser Prairie-Chicken Timing Stipulations
 - Ground-level Abandoned Well Marker
 - Communitization Agreement
- ☒ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
 - H2S – Onshore Order 6 Requirements
 - Logging Requirements
 - Waste Material and Fluids
- ☐ **Production (Post Drilling)**
 - Well Structures & Facilities
- ☐ **Interim Reclamation**
- ☒ **Final Abandonment & Reclamation**