

**N. Oil Cons. Division**  
**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

SUBMIT IN T  
(Other instructi  
reverse side,

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

**1A. TYPE OF WORK**

**DRILL** ☒

**DEEPEN** ☐

**B. TYPE OF WELL**

**OIL**  
**WELL** ☐

**GAS**  
**WELL** ☒

**OTHER**

**SINGLE**  
**ZONE** ☐

**MULTIPLE**  
**ZONE** ☐

**2. NAME OF OPERATOR**

MYCO INDUSTRIES, INC.

**3. ADDRESS AND TELEPHONE NO.**

105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

**4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)**

At surface

1732' FSL and 1980' FEL Unit J

At proposed prod. zone

Same

**14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\***

Approximately 8.5 miles southwest of Loco Hills, New Mexico

**15. DISTANCE FROM PROPOSED\***

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

1732'

**16. NO. OF ACRES IN LEASE**

320

**17. NO. OF ACRES ASSIGNED**

TO THIS WELL

320

**18. DISTANCE FROM PROPOSED LOCATION\***

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

**19. PROPOSED DEPTH**

11,800'

**20. ROTARY OR CABLE TOOLS**

Rotary

**21. ELEVATIONS (Show whether DF, RT, GR, etc.)**

3431' GR

**CAPITAN CONTROLLED WATER BASIN**

**22. APPROX. DATE WORK WILL START\***

ASAP

**23.**

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	350'	WITNESS Circulated
12 1/4"	8 5/8"	32#	3200' OK	1200 sx Circulated
7 7/8"	5 1/2"	17#	11800'	3000 sx at least 600'

Myco Industries, Inc. proposes to drill and test the Morrow and intermediate formations. Will drill a 12 1/4" hole to approximately 4000' (base San Andres) before running 8 5/8" intermediate casing. ~~If water flow is encountered in the San Andres will set 8 5/8" thru S.A. at approximately 4000'.~~ If no San Andres water flow is encountered will set 8 5/8" casing 3200'. Cement will be circulated on the 8 5/8" casing either case. If commercial, production casing will be set and cemented at least 600' above the Wolfcamp (top of Wolfcamp 8600'). Production will be achieved with perforations and stimulation as warranted.

**MUD PROGRAM:** FW to 350'; Brine to 4000'; SW Gel/Starch to TD.

**BOPE PROGRAM:** BOPE's will be installed on the 13 3/8" casing and tested daily for operational.

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

**\* NO WATER ENCOUNTERED IN OFFSETS PER NELSON MUNCY 12/13/98. LBS**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

**24.**

SIGNED Clifton R. May TITLE Regulatory Agent DATE April 15, 1998

(This space for Federal or State office use)

**PERMIT NO.**

**APPROVAL DATE**

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:

(ORIG. SGD.) ARMANDO A. LOPEZ

**APPROVED BY**

**TITLE**

Acting ADM. MINERALS

**DATE**

5-14-98

**\*See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes 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.