

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYRECEIVED
SUBMIT IN
SEP 17 1984
Other instructions on
reverse side
ARTESIAN CESSForm approved.
Budget Bureau No. 42-B1425.30-015-25030
5. LEASE DESIGNATION AND SERIAL NO.

LC-060613

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hole in the Ground Federal

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Big Eddy Unit

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 10-T22S-R28E

12. COUNTY OR PARISH

Eddy

13. STATE

N.M.

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

MYCO Industries, Inc.

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, New Mexico 88210

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

At surface
2310' FNL and 990' BOPAt proposed prod. zone
Same

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

Approximately 20 miles east of Carlsbad, N.M.

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FE.
(Also to nearest daylight line, if any)

330'

16. NO. OF ACRES IN LEASE

1156.51

18. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL, DRILLING, COMPLETION,
OR ALIQUOT FOR, ON THIS LEASE, FE.

1200'

19. PROPOSED DEPTH

6200'

20. NO. OF ACRES ASSIGNED
TO THIS WELL

40

21. ROTARY OR CABLE TOOLS

Rotary

22. ELEVATIONS (Show whether DEN, B.M., G.L., etc.)

3131' GL 2/83

23. APPROX. DATE WORK WILL START *

ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	10 3/4"	40.5# K-55	400'	300 sx circ
7 7/8"	5 1/2"	14+15.5# K-55	TD	900 sx circ

We propose to drill and test the Delaware and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and caving. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW/LCM to 400', Brine & LCM to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposal is to deepen or plug back, 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



TITLE

Regulatory Agent

DATE

9-13-84

(This space for Federal or State comments)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

9-20-84

CONDITIONS OF APPROVAL, IF ANY

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

Operator MYCO INDUSTRIES INC.		Lease Hole In The Ground Federal		Well No. 2
Unit Letter H	Section 10	Township 22 South	Range 28 East	County Eddy

Actual Footage Location of Well:

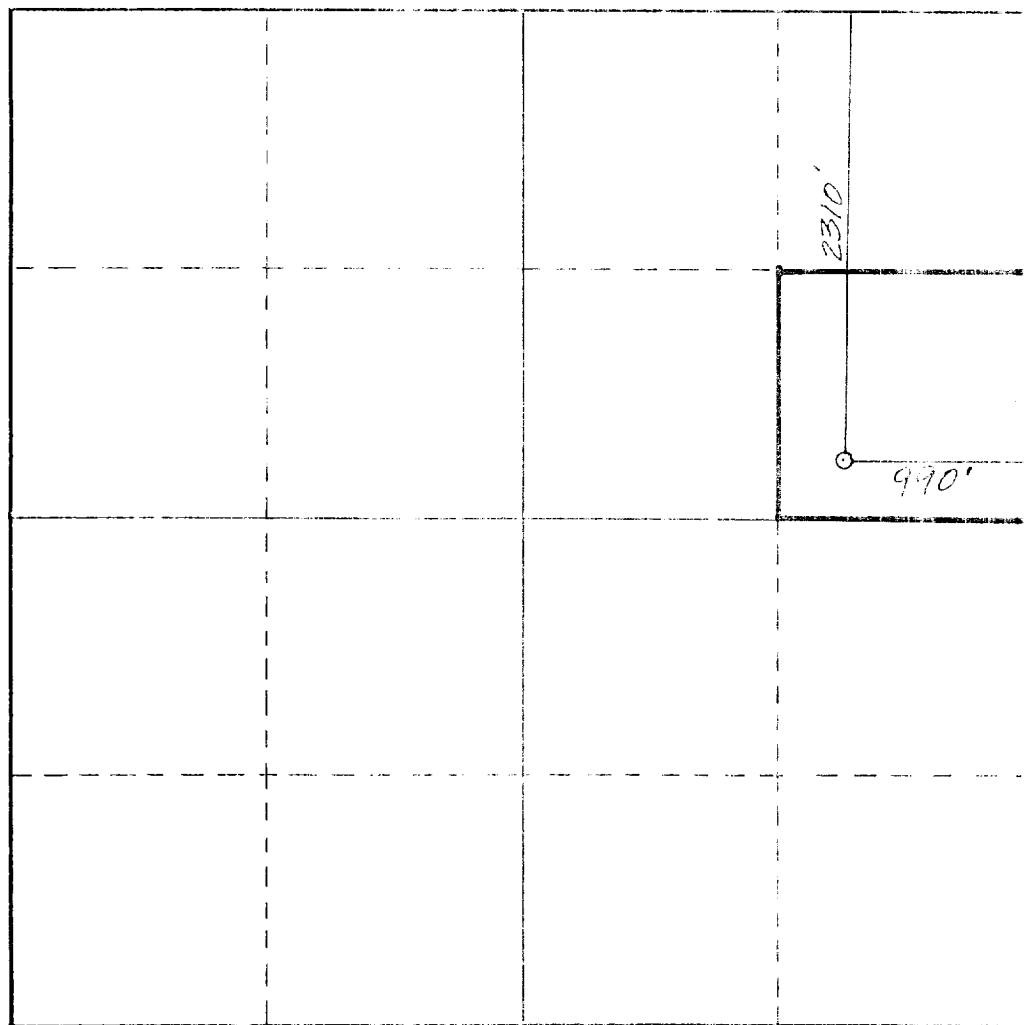
2310	feet from the NORTH	line and	990	feet from the East	line
Ground Level Elev. 3136	Producing Formation DELAWARE	Pool UNDES DELAWARE	Dedicated Acreage: 40		Acres

- Outline the acreage dedicated to the subject well by colored pencil or lachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

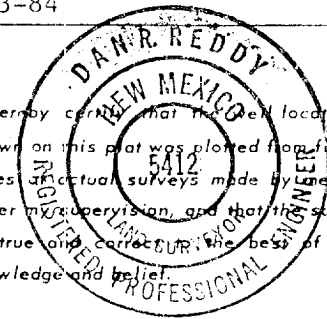
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Cy Cowan
Cy Cowan

Position
Regulatory Agent
Company
YATES PETROLEUM CORPORATION

Date
9-13-84

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 knowledge and belief.



Date Surveyed
Aug. 30, 1984

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

NMPE&LS #5412

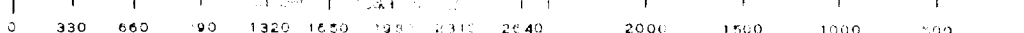
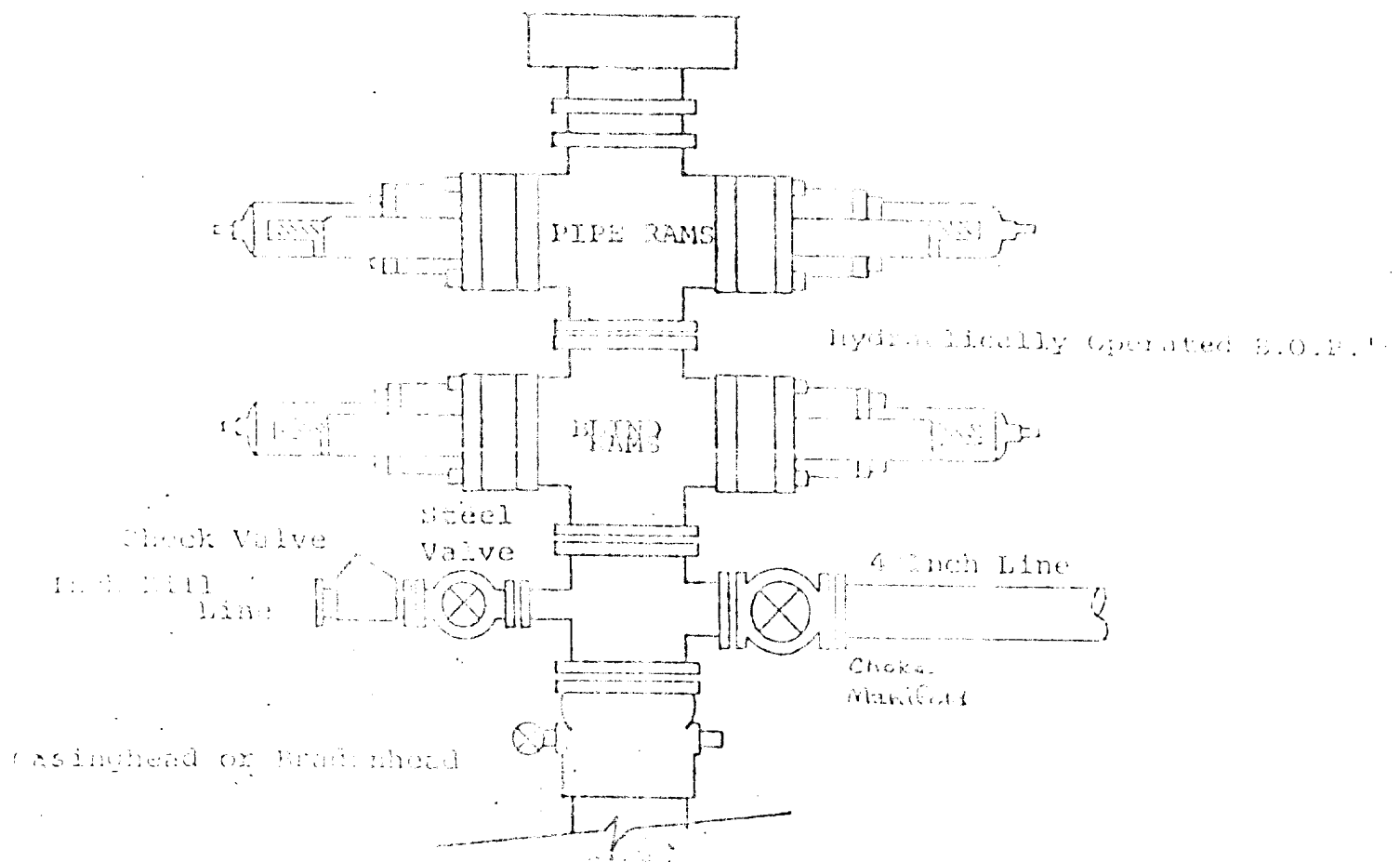


EXHIBIT B

BOP DIAGRAM

RATED 3000[#]

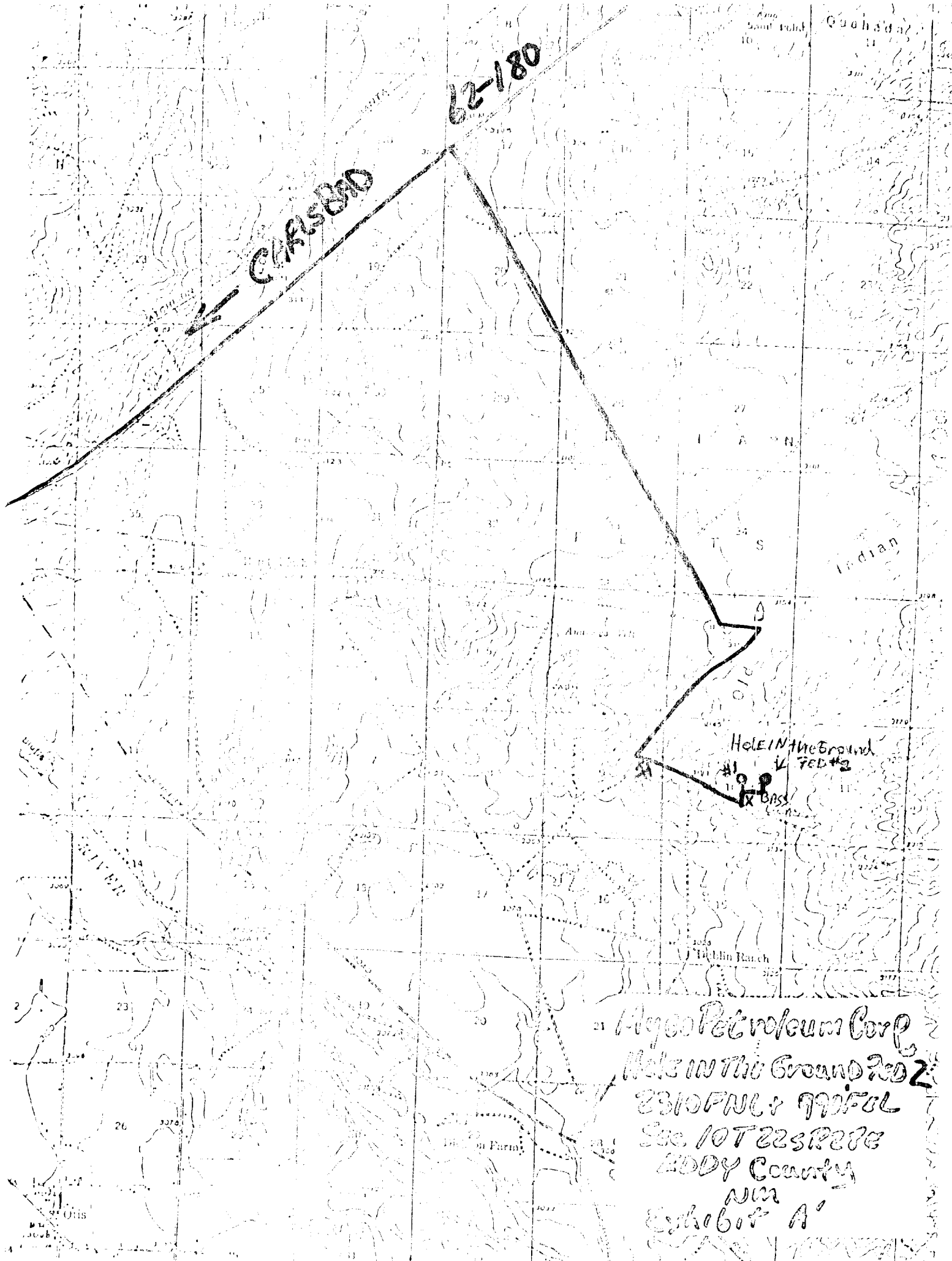


YATES INDUSTRIES INC.
Hole in the Ground Federal #2
2310' TEL and 390' TEL
Sec. 10-T22N-R28E

In conjunction with Form 9-3310, Application for Permit to Drill subject well, Yates Petroleum Company submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is sand dunes.
2. The estimated tops of geologic markers are as follows:

Top Delaware	2570'
Cherry Canyon	3690'
Bone Springs Line	6060'
TD	6200'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:
Water: 290-350'
Oil or Gas: 610'
4. Proposed Casing Program: See Form 9-3310.
5. Pressure Control: As noted: See Form 9-3310.
6. Mud Program: See Form 9-3310.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:
Samples: 10' samples from surface casing to TD.
DST's: As indicated.
Coring: None.
Logging: CIL-500' & CIL RSD TD to csg. GR-CNL csg. to surface.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



CARLSBAD

62-180

Hole in the Ground

7ED #2

X BASS

Ageo Petroleum Corp
Hole in the Ground 7ED 2
2310 FNL + 99 FCL
Sec. 10 T22S R28E
EDDY County
NM
Exhibit A'

YATES PETROLEUM CORP.
Exhibit C

