

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 July 17, 2008						
		1. WELL API NO. 30-005-64018								
		2. Type of Lease ☐ STATE ☒ FEE ☐ FED/INDIAN								
		3. State Oil & Gas Lease No.								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG										
4. Reason for filing: ☒ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) ☐ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name STARR 34 FEE 6. Well Number: JAN 15 2009 OCD-ARTESIA								
7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER										
8. Name of Operator MYCO INDUSTRIES, INC.			9. OGRID 015445							
10. Address of Operator P.O. BOX 840, ARTESIA, NEW MEXICO 88211-0840			11. Pool name or Wildcat COTTONWOOD CREEK; WOLFCAMP							
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	P	34	15S	24E		241'	S	198'	E	CHAVES
BH:	N	34	15S	24E		816'	S	2141'	W	CHAVES
13. Date Spudded 05/10/2008	14. Date T.D. Reached 05/28/2008	15. Date Rig Released 05/29/2008		16. Date Completed (Ready to Produce) 12/30/2008		17. Elevations (DF and RKB, RT, GR, etc.) 3532'				
18. Total Measured Depth of Well 7350' MD / 4565' TVD		19. Plug Back Measured Depth 7319'		20. Was Directional Survey Made? YES - ATTACHED		21. Type Electric and Other Logs Run NEUTRON DENSITY				
22. Producing Interval(s), of this completion - Top, Bottom, Name 5002' - 7350'; WOLFCAMP										
23. CASING RECORD (Report all strings set in well)										
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED.
16"		COND.		120'		20"		CIRCULATE		
8-5/8"		32#		962'		11"		900 SXS (CIRC)		
5-1/2"		17#		7319'		7-7/8"		1300 SXS (CIRC)		
24. LINER RECORD										
SIZE	TOP	BOTTOM	SACKS CEMENT		SCREEN		25. TUBING RECORD			
							SIZE	DEPTH SET	PACKER SET	
							2-3/8" P110	5010'	N/A	
26. Perforation record (interval, size, and number)										
7319-7350', OH 6694-7074', 0.42", 40 HOLES 6130-6510', 0.42", 40 HOLES 5566-5946', 0.42", 40 HOLES 5002-5382', 0.42", 40 HOLES						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 5002 - 7350' FRAC W/ 867,084# SAND AND 40,916 BBLS WATER				
28. PRODUCTION										
Date First Production 12/28/2008		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING				Well Status (Prod or Shut-in) PRODUCING				
Date of Test 12/31/2008	Hours Tested 24	Choke Size 1/2"	Prod'n For Test Period	Oil - Bbl 1	Gas - MCF 1840	Water - Bbl. 238	Gas - Oil Ratio 1840:1			
Flow Tubing Press. 270	Casing Pressure 675	Calculated 24-Hour Rate	Oil - Bbl. 1	Gas - MCF 1840	Water - Bbl. 238	Oil Gravity - API - (Corr) 54				
29. Disposition of Gas (Sold, used for fuel, vented, etc) SOLD							30. Test Witnessed By RICHARD QUINTANA			
31. List Attachments C-104, PATHFINDER DIRECTIONAL SURVEY AND GAMMA RAY, HALLIBURTON NEUTRON DENSITY										
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.										
33. If an on-site burial was used at the well, report the exact location of the on-site burial:										
Latitude _____ Longitude _____ NAD 1927 1983										
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief										
Signature <i>A.N. Muncy</i> , PECS			Printed Name A.N. MUNCY		Title EXPLOR/OPER. MGR			Date 01/13/2009		
E-mail Address <i>amuncy@mtmex.com</i>										

Accepted for record - NMOCD

DIRECTIONAL SURVEY REPORT

MYCO INDUSTRIES

STARR 34 FEE #1H (S2)

CHAVES COUNTY, NEW MEXICO

PREPARED BY: FRANCISCO SINITERRA



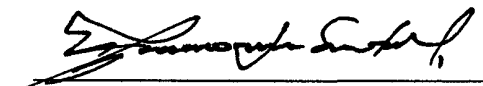
DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) J. EIMERS
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 5/13/08 TO 5/26/08
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: CHAVES COUNTY
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

MYCO INDUSTRIES
STARR 34 FEE #1H (S2)
CHAVES COUNTY, NEW MEXICO
API NO.: 30-005-64018
RIG: JW4

9. SURVEY CERTIFIED FROM: 1069 TO 7305 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 2997.06 FEET ON A BEARING OF 281.06 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 7350 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


FRANCISCO SINISTERRA
M/LWD SERVICE COORDINATOR

Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

PathFinder Energy Services, Inc.

BHL Report

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Tie-in Date: 05/12/2008
Date Completed: 05/24/2008

MYCO INDUSTRIES
STARR 34 FEE #1H
CHAVES COUNTY, NM
Rig:JW4

PathFinder Office Supervisor: FRANCISCO SINISTERRA
PathFinder Field Engineers:RAFAEL DONARUMMA
JAMES EIMERS

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.57.52.7465 N LON:104.31.31.7588 W
GRID Reference:NAD27 new mexico east Transverse Mercator
Ref GRID Coord: X: 441064.9000 Y: 714706.4000
North Aligned To:GRID NORTH
Total Magnetic Correction: 8.54° EAST TO GRID
Vertical Section Plane: 276.69
Survey Vert. Reference: 12.90' Kelly Bushing To Ground
Altitude:3532.00' Ground To MSL

Measured Depth	7350.00	(feet)
Inclination	89.25	(deg)
Azimuth	270.03	(deg)
True Vertical Depth	4565.48	(feet)
Vertical Section	2988.33	(feet)
Survey X cord	438123.54	(feet)
Survey Y cord	715281.56	(feet)
Survey Lat	32.96621758 N	(deg)
Survey Lon	104.53508225 W	(deg)
Rectangular Corr. N/S	575.16 N	(feet)
Rectangular Corr. E/W	2941.36 W	(feet)
Closure Distance	2997.06	(feet)
Direction of Closure	281.06	(deg)
Dogleg Severity	0.01	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

MYCO INDUSTRIES

STARR 34 FEE #1H

CHAVES COUNTY, NM

Rig:JW4

PathFinder Office Supervisor: FRANCISCO SINISTERRA

PathFinder Field Engineers: RAFAEL DONARUMMA

JAMES EIMERS

Survey Horiz. Reference:WELLHEAD

Ref Coordinates: LAT:32.57.52.7465 N LON:104.31.31.7588 W

Reference:NAD27 new mexico east Transverse Mercator

Ref GRID Coord: X: 441064.9000 Y: 714706.4000

North Aligned To:GRID NORTH

Total Magnetic Correction: 8.54° EAST TO GRID

Vertical Section Plane: 276.69

Survey Vert. Reference: 12.90' Kelly Bushing To Ground

Altitude:3532.00' Ground To MSL

Survey Calculations by PathCalc v1.97 using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist (ft)	Dir (deg)	DLS (dg/100ft)
TIE-IN TO SCIENTIFIC GYRO SURVEY @ 965' MD.										
965.00	1.76	295.21	964.78	0.00	17.89	5.53 N	17.36 W	18.22@	287.67	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
1069.00	1.49	298.86	1068.74	104.00	20.65	6.86 N	19.99 W	21.13@	288.95	0.28
1162.00	1.58	294.75	1161.70	93.00	22.99	7.98 N	22.21 W	23.60@	289.77	0.15
1254.00	1.32	294.22	1253.68	92.00	25.21	8.95 N	24.33 W	25.92@	290.19	0.28
1376.00	1.41	305.76	1375.64	122.00	27.86	10.40 N	26.83 W	28.78@	291.19	0.24
1459.00	1.76	309.96	1458.61	83.00	29.82	11.82 N	28.64 W	30.98@	292.43	0.44
1535.00	3.61	327.52	1534.52	76.00	32.30	14.59 N	30.82 W	34.09@	295.33	2.64
1567.00	3.96	327.75	1566.45	32.00	33.64	16.37 N	31.95 W	35.90@	297.13	1.09
1662.00	5.01	332.81	1661.16	95.00	38.01	22.83 N	35.59 W	42.29@	302.68	1.18
1788.00	4.22	332.88	1786.75	126.00	43.66	31.86 N	40.22 W	51.31@	308.38	0.63
1852.00	3.69	342.25	1850.60	64.00	45.82	35.91 N	41.92 W	55.20@	310.59	1.30
1947.00	4.66	6.95	1945.35	95.00	47.07	42.66 N	42.39 W	60.13@	315.18	2.13
2042.00	6.33	9.79	2039.91	95.00	46.77	51.65 N	41.03 W	65.96@	321.54	1.78
2074.00	6.42	12.89	2071.72	32.00	46.48	55.13 N	40.33 W	68.31@	323.81	1.11
2137.00	5.80	11.23	2134.36	63.00	45.84	61.69 N	38.92 W	72.94@	327.75	1.02
2169.00	5.72	11.72	2166.20	32.00	45.58	64.83 N	38.28 W	75.29@	329.44	0.29
2264.00	5.19	11.20	2260.77	95.00	44.82	73.68 N	36.49 W	82.22@	333.66	0.56
2359.00	5.72	3.63	2355.34	95.00	44.74	82.62 N	35.35 W	89.87@	336.83	0.94
2454.00	5.36	4.67	2449.89	95.00	45.15	91.77 N	34.69 W	98.11@	339.29	0.39
2549.00	4.75	0.47	2544.52	95.00	45.73	100.13 N	34.30 W	105.84@	341.09	0.75
2645.00	5.45	354.94	2640.14	96.00	47.09	108.64 N	34.67 W	114.04@	342.30	0.89
2740.00	4.84	356.13	2734.76	95.00	48.74	117.13 N	35.34 W	122.35@	343.21	0.65

PathFinder Energy Services, Inc.

Survey Report

MYCO INDUSTRIES
STARR 34 FEE #1H
CHAVES COUNTY, NM
RIG:JW4

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
2835.00	5.89	358.66	2829.34	95.00	50.16	126.01 N	35.72 W	130.97@	344.17	1.13
2961.00	5.45	358.68	2954.73	126.00	51.90	138.45 N	36.01 W	143.06@	345.42	0.35
3088.00	4.84	0.05	3081.21	127.00	53.36	149.84 N	36.15 W	154.14@	346.44	0.49
3183.00	5.45	0.82	3175.83	95.00	54.28	158.36 N	36.08 W	162.42@	347.17	0.65
3278.00	4.75	1.91	3270.45	95.00	55.07	166.80 N	35.88 W	170.62@	347.86	0.74
3373.00	5.36	5.64	3365.08	95.00	55.48	175.15 N	35.31 W	178.67@	348.60	0.73
3469.00	5.10	7.32	3460.69	96.00	55.51	183.84 N	34.33 W	187.02@	349.42	0.31
3564.00	5.72	4.61	3555.26	95.00	55.64	192.75 N	33.41 W	195.62@	350.17	0.71
3691.00	5.28	11.05	3681.68	127.00	55.42	204.79 N	31.78 W	207.24@	351.18	0.60
3785.00	5.01	10.94	3775.30	94.00	54.79	213.07 N	30.18 W	215.19@	351.94	0.29
3912.00	5.28	0.42	3901.79	127.00	55.02	224.36 N	29.08 W	226.23@	352.61	0.77
4007.00	4.92	357.90	3996.41	95.00	56.12	232.80 N	29.20 W	234.62@	352.85	0.45
4040.00	5.01	357.68	4029.29	33.00	56.56	235.65 N	29.31 W	237.47@	352.91	0.28
4072.00	5.89	353.77	4061.15	32.00	57.15	238.68 N	29.54 W	240.50@	352.94	2.98
4103.00	8.44	349.26	4091.90	31.00	58.18	242.50 N	30.14 W	244.36@	352.92	8.42
4135.00	11.70	344.48	4123.40	32.00	60.11	247.93 N	31.44 W	249.92@	352.77	10.51
4167.00	14.86	340.45	4154.55	32.00	63.16	254.93 N	33.69 W	257.14@	352.47	10.28
4199.00	18.11	335.11	4185.23	32.00	67.58	263.31 N	37.15 W	265.92@	351.97	11.20
4230.00	21.02	329.50	4214.44	31.00	73.46	272.47 N	42.01 W	275.69@	351.24	11.16
4262.00	24.01	323.84	4244.00	32.00	81.36	282.68 N	48.76 W	286.85@	350.21	11.53
4294.00	27.26	319.32	4272.85	32.00	91.18	293.49 N	57.38 W	299.05@	348.94	11.85
4326.00	30.86	315.52	4300.82	32.00	102.97	304.91 N	67.91 W	312.38@	347.44	12.64
4357.00	34.12	312.13	4326.96	31.00	116.26	316.42 N	79.94 W	326.36@	345.82	12.04
4389.00	36.84	307.81	4353.02	32.00	131.79	328.33 N	94.18 W	341.57@	343.99	11.56
4421.00	39.39	303.47	4378.20	32.00	149.07	339.81 N	110.23 W	357.24@	342.03	11.55
4452.00	41.42	298.28	4401.81	31.00	167.39	350.10 N	127.47 W	372.58@	339.99	12.67
4484.00	43.44	293.50	4425.44	32.00	187.77	359.50 N	146.89 W	388.36@	337.78	11.89

PathFinder Energy Services, Inc.

Survey Report

MYCO INDUSTRIES
STARR 34 FEE #1H
CHAVES COUNTY, NM
RIG:JW4

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
4516.00	45.99	290.32	4448.18	32.00	209.50	367.89 N	167.78 W	404.34@	335.48	10.60
4548.00	49.15	288.19	4469.77	32.00	232.55	375.67 N	190.08 W	421.02@	333.16	11.03
4579.00	53.11	286.52	4489.22	31.00	256.26	382.85 N	213.11 W	438.17@	330.90	13.44
4611.00	57.42	285.71	4507.45	32.00	282.20	390.15 N	238.37 W	457.20@	328.58	13.63
4643.00	61.47	285.37	4523.71	32.00	309.42	397.53 N	264.91 W	477.71@	326.32	12.69
4675.00	64.19	285.55	4538.32	32.00	337.55	405.12 N	292.35 W	499.59@	324.18	8.51
4706.00	66.57	285.53	4551.24	31.00	365.40	412.67 N	319.50 W	521.89@	322.25	7.68
4738.00	69.12	285.45	4563.30	32.00	394.68	420.58 N	348.06 W	545.92@	320.39	7.97
4770.00	72.90	284.58	4573.71	32.00	424.62	428.41 N	377.28 W	570.86@	318.63	12.09
4801.00	75.53	284.07	4582.15	31.00	454.18	435.79 N	406.18 W	595.73@	317.01	8.63
4833.00	78.88	283.39	4589.23	32.00	485.15	443.20 N	436.49 W	622.05@	315.44	10.67
4865.00	81.25	283.02	4594.75	32.00	516.46	450.40 N	467.17 W	648.93@	313.95	7.49
4896.00	83.27	282.77	4598.93	31.00	547.00	457.25 N	497.11 W	675.43@	312.61	6.56
4928.00	85.21	282.66	4602.14	32.00	578.66	464.26 N	528.17 W	703.21@	311.32	6.07
4959.00	89.25	282.85	4603.64	31.00	609.44	471.09 N	558.36 W	730.55@	310.15	13.05
4991.00	91.71	282.47	4603.37	32.00	641.27	478.11 N	589.58 W	759.07@	309.04	7.78
5023.00	92.15	282.11	4602.29	32.00	673.09	484.91 N	620.83 W	787.76@	307.99	1.78
5118.00	92.15	280.95	4598.73	95.00	767.69	503.89 N	713.85 W	873.77@	305.22	1.22
5213.99	89.87	278.92	4597.04	95.99	863.50	520.45 N	808.37 W	961.42@	302.77	3.18
5308.00	91.28	278.04	4596.09	94.01	957.45	534.31 N	901.35 W	1047.81@	300.66	1.77
5372.00	90.66	276.13	4595.01	64.00	1021.44	542.20 N	964.84 W	1106.75@	299.33	3.14
5467.00	92.33	274.81	4592.53	95.00	1116.38	551.25 N	1059.37 W	1194.22@	297.49	2.24
5562.00	90.84	271.26	4589.90	95.00	1211.13	556.28 N	1154.19 W	1281.25@	295.73	4.05
5657.00	90.48	270.40	4588.81	95.00	1305.63	557.65 N	1249.17 W	1367.99@	294.06	0.98
5752.00	90.75	271.05	4587.79	95.00	1400.11	558.86 N	1344.16 W	1455.70@	292.58	0.74
5815.00	90.22	270.61	4587.25	63.00	1462.78	559.77 N	1407.15 W	1514.40@	291.69	1.09
5911.00	92.33	273.97	4585.12	96.00	1558.45	563.60 N	1503.03 W	1605.22@	290.55	4.13

PathFinder Energy Services, Inc.

Survey Report

MYCO INDUSTRIES
STARR 34 FEE #1H
CHAVES COUNTY, NM
RIG:JW4

Page 04/04

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
5974.00	89.78	271.90	4583.96	63.00	1621.30	566.83 N	1565.93 W	1665.36@	289.90	5.21
6069.83	91.28	271.45	4583.07	95.83	1716.75	569.63 N	1661.71 W	1756.63@	288.92	1.63
6164.00	91.54	268.46	4580.75	94.17	1810.23	569.55 N	1755.84 W	1845.90@	287.97	3.19
6259.00	91.80	268.69	4577.98	95.00	1904.24	567.19 N	1850.77 W	1935.73@	287.04	0.37
6354.00	91.36	268.72	4575.37	95.00	1998.29	565.05 N	1945.71 W	2026.09@	286.19	0.46
6449.00	92.33	270.89	4572.31	95.00	2092.54	564.72 N	2040.65 W	2117.35@	285.47	2.50
6544.00	92.42	271.82	4568.37	95.00	2187.05	566.97 N	2135.54 W	2209.52@	284.87	0.98
6639.00	92.07	271.95	4564.65	95.00	2281.64	570.09 N	2230.42 W	2302.12@	284.34	0.39
6734.00	89.60	270.20	4563.26	95.00	2376.17	571.87 N	2325.38 W	2394.67@	283.82	3.19
6829.00	89.60	270.20	4563.93	95.00	2470.56	572.20 N	2420.38 W	2487.09@	283.30	0.00
6924.00	89.87	270.12	4564.37	95.00	2564.94	572.47 N	2515.37 W	2579.70@	282.82	0.30
7019.00	90.13	270.40	4564.37	95.00	2659.34	572.90 N	2610.37 W	2672.50@	282.38	0.40
7114.00	90.22	270.63	4564.08	95.00	2753.79	573.75 N	2705.37 W	2765.54@	281.97	0.26
7209.00	89.78	270.50	4564.08	95.00	2848.25	574.69 N	2800.36 W	2858.73@	281.60	0.48
7305.00	89.25	270.03	4564.89	96.00	2943.64	575.13 N	2896.36 W	2952.91@	281.23	0.74
STRAIGHT LINE PROJECTION TO BIT @ 7350' MD.										
7350.00	89.25	270.03	4565.48	45.00	2988.33	575.16 N	2941.36 W	2997.06@	281.06	0.01

TIE-IN SURVEY INFORMATION SHEET

CLIENT INFORMATION

CLIENT:	MYCO INDUSTRIES		
LEASE / WELL No.:	STARR 34 FEE	#1H	
WELL LOCATION:	COTTONWOOD CREEK; WOLFCAMP (G)		
COUNTY / STATE / COUNTRY:	CHAVES	NM	USA
RIG:	JW #4		
API WELL No:	30-005-64018		
JOB No:	101007409 WT-WT		
P.O. / AFE No.			
DIRECTIONAL COMPANY:	PES		

WELL SITE INFORMATION

MAGNETIC DECLINATION:			
On Wall Plat:	8.54	LWD Calculated:	8.54063
		Agreed Upon:	8.54
X =	441064.900000	Feet	Y = 714706.400000
			Feet
SITE LATITUDE:	32.96465174 N	SITE LONGITUDE:	104.52548860 W
GRID SYSTEM:	TRUE ☐ UTM ☒ LAMBERT ☐	ZONE:	NEW MEXICO EAST
PROPOSED DRIFT DIRECTION:	0		
KELLY BUSHING ELEVATION:	12.9		
ALTITUDE:	3532	Feet	WATER DEPTH:
			Feet

TIE-IN SURVEY

MEASURED DEPTH:	965		
DRIFT ANGLE:	1.76		
DRIFT DIRECTION:	295.21		
TRUE VERTICAL DEPTH:	964.78		
VERTICAL SECTION:	5.53		
RECTANGULAR COORDINATE (N / S) :	5.53		
RECTANGULAR COORDINATE (E / W) :	-17.36		
CLOSURE DISTANCE / DIRECTION:	18.22	287.67	
SURVEY CALCULATION METHOD:	AA ☐	MC ☒	RC ☐ BT ☐
SOURCE OF TIE-IN DATA (COMPANY):	SCIENTIFIC DRILLING CONTROLS		
COPY OF TIE-IN SURVEY REPORT	☐ YES ☒ NO		

WELL PLAN

KICKOFF DEPTH:	3908	TOTAL DEPTH:	8885
KICKOFF ANGLE:	9	MAX ANGLE:	91

PES Engineers:



**Signature of both field engineers required if applicable

Directional Driller:

DATE: 12-May-2008

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

MYCO INDUSTRIES
STARR 34 FEE #1H
CHAVES COUNTY, NEW MEXICO
Rig:JW 4

Fri May 09 14:28:32 2008

Coordinates

Latitude: 32.964652 N (32 deg. 57 min. 52.7465 sec.)
Longitude: 104.525489 W (-104 deg. 31 min. 31.7588 sec.)
Elevation: 3532.00 feet.
Calculation Date: May/09/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.7903 degrees
Total Magnetic Field: 0.49286 gauss
Magnetic Declination: 8.437058 degrees
Horizontal Intensity: 0.240521 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.437058 Degr

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 441064.9000 feet
Y: 714706.4000 feet
True to Grid: (convergence) 0.104556 degrees
Magnetic to Grid: 8.541614 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 8.541614 Degr.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

MYCO INDUSTRIES
STARR 34 FEE #1H

Rig:JW #4

Wed May 14 05:55:57 2008

FIELD COPY

Coordinates

Latitude: 32.964652 N (32 deg. 57 min. 52.7463 sec.)
Longitude: 104.525489 W (-104 deg. 31 min. 31.7590 sec.)
Elevation: 3544.90 feet.
Calculation Date: May/12/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.7901 degrees
Total Magnetic Field: 0.49285 gauss
Magnetic Declination: 8.436076 degrees
Horizontal Intensity: 0.240518 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.436076 Degr

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 441064.8859 feet
Y: 714706.3771 feet
True to Grid: (convergence) 0.104556 degrees
Magnetic to Grid: 8.540632 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 8.540632 Degr.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

MYCO INDUSTRIES
STARR 34 FEE #1H (ST1)
CHAVES COUNTY, NM
Rig:JW #4

FIELD COPY (ST1)

Sat May 17 16:56:02 2008

Coordinates

Latitude: 32.964652 N (32 deg. 57 min. 52.7463 sec.)
Longitude: 104.525489 W (-104 deg. 31 min. 31.7590 sec.)
Elevation: 3544.90 feet.
Calculation Date: May/17/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.7897 degrees
Total Magnetic Field: 0.49311 gauss
Magnetic Declination: 8.436327 degrees
Horizontal Intensity: 0.240646 gauss

To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.436327 Degr.

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 441064.8859 feet
Y: 714706.3771 feet
True to Grid: (convergence) 0.104556 degrees
Magnetic to Grid: 8.540883 degrees

To Convert a Magnetic Dir. to a GRID dir. Add 8.540883 Degr.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

MYCO INDUSTRIES
STARR 34 FEE #1H (S2)
COTTONWOOD CREEK WOLFCAMP
Rig:JW4

RUN # 4 (S02 RUN#1)

Sat May 24 13:29:02 2008

Coordinates

Latitude: 32.964652 N (32 deg. 57 min. 52.7463 sec.)
Longitude: 104.525489 W (-104 deg. 31 min. 31.7590 sec.)
Elevation: 3544.90 feet.
Calculation Date: May/24/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.7893 degrees
Total Magnetic Field: 0.49309 gauss
Magnetic Declination: 8.434052 degrees
Horizontal Intensity: 0.240640 gauss

To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.434052 Degr.

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 441064.8859 feet
Y: 714706.3771 feet
True to Grid: (convergence) 0.104556 degrees
Magnetic to Grid: 8.538608 degrees

To Convert a Magnetic Dir. to a GRID dir. Add 8.538608 Degr.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
MAR 18 2008
OCD-ARTESIA

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address MYCO INDUSTRIES, INC. P.O. BOX 840, ARTESIA, NM 88211-0840		² OGRID Number 015445
³ Property Code 35683	⁵ Property Name STARR 34 FEE	⁴ API Number 30-005-64018
⁹ Proposed Pool 1 WOLFCAMP		⁶ Well No. #1H
⁹ Proposed Pool 1 Cottonwood Creek		¹⁰ Proposed Pool 2

⁷ 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	34	15S	24E		241'	SOUTH	198'	EAST	CHAVES

⁸ Proposed 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
M	34	15S	24E		660'	SOUTH	1228'	WEST	CHAVES

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3532'
¹⁶ Multiple NO	¹⁷ Proposed Depth 5200'	¹⁸ Formation WOLFCAMP	¹⁹ Contractor	²⁰ Spud Date 04/01/2008
Depth to Groundwater 100'		Distance from nearest fresh water well >1000'		Distance from nearest surface water >1000'
Pit: Liner Synthetic ☐ milst thick Clay ☐ Pit Volume: bbls Drilling Method: Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				
Closed-Loop System ☒				

²¹ 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"	32#/J-55	950'	400 SXS	CIRCULATE
7-7/8"	5-1/2"	17#/N-80	9250'	1200 SXS	CIRCULATE
NOTE: SET 40' OF 20' CONDUCTOR PIPE & CIRCULATE CEMENT					

²² 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

NOTIFY NMOCD OF SPUD AND WITNESS CMT. SURFACE CASING. INSTALL 3000# DOUBLE-RAM B.O.P. AND TEST DAILY. DRILL PILOT HOLE TO 5,200'. PLUG BACK AND DRILL A 3,400' LATERAL DUE WEST (270) INTERCEPTING THE BASE OF THE WOLFCAMP (APPROX. 4,635') AT 660' FSL & 660' FEL PER NMOCD RULE #111.

ATTACHED: PERMIT INFORMATION, C-102, H2S CONTINGENCY PLAN

*NOTE: DETAILED WELL SURVEY PROFILE TO FOLLOW.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: A.N. MUNCY, PELS
Title: OPERATIONS/EXPLORATION MGR.
E-mail Address: anmuncy@mycoinc.com
Date: 03/18/2008
Phone: (575)748-4289

OIL CONSERVATION DIVISION

Approved by

Title:

Approval Date: 3/26/08

Expiration Date: 7/26/10

Conditions of Approval Attached ☐

DISTRICT I

1825 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <i>30-005-64018</i>	Pool Code <i>75250</i>	Pool Name <i>Cottonwood Creek; Wolfcamp (G)</i>
Property Code <i>35683</i>	Property Name STARR 34 FEE	Well Number 1H
OCRIID No. <i>15445</i>	Operator Name MYCO INDUSTRIES, INC.	Elevation 3532'

Surface Location

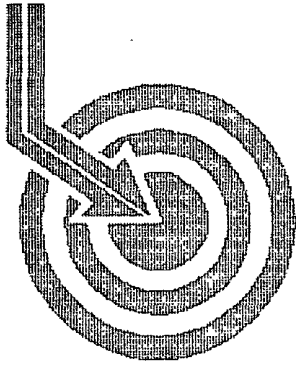
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	15-S	24-E		241	SOUTH	198	EAST	CHAVES

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
M	34	15-S	24-E		660	SOUTH	1228	WEST	CHAVES
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

GEODETIC COORDINATES NAD 27 NME SURFACE Y=714706.4 N X=441064.9 E LAT.=32°57'52.75" N LONG.=104°31'31.76" W PRODUCING AREA PENETRATION POINT Y=715123.5 N X=440604.2 E BOTTOM HOLE Y=715110.5 N X=437205.1 E DETAIL 3533.4' 3532.6' 3535.1' 3531.2' 1228' 660' 660' 198' 241' GR.AZ.=269°46'48" H.DIST.=3399.1' GRAZ.=312°09'35" H.DIST.=621.5' SEE DETAIL	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. <i>A. N. MUNKY</i> Signature Date A. N. MUNKY Printed Name
	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 1, 2006 Date Surveyed JR Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 5/03/06 06.11.0668 Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239



Scientific Drilling

MYCO

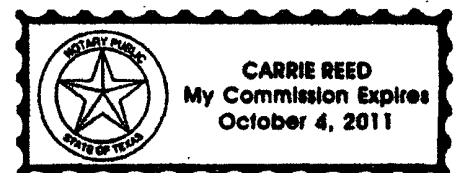
Field: Wildcat
Site: Chaves County, NM
Well: Starr 34 Fee #1H
Wellpath: VH - Job #32K0508337
Survey: 05/12/08

This survey is correct to the best of my knowledge
and is supported by actual field data.

.....*Robert Carter*.....Company Representative

Notorized this date 6th of June, 2008.

Carrie Reed
Notary Signature
County of Midland
State of Texas





Scientific Drilling International

Survey Report

Company: MYCO Date: 06/05/2008 Time: 15:52:35 Page: 1
Field: Wildcat Co-ordinate(NE) Reference: Site: Chaves County, NM, Grid North
Site: Chaves County, NM Vertical (TVD) Reference: SITE 0.0
Well: Starr 34 Fee #1H Section (VS) Reference: Well (0.00N,0.00E,287.67Azi)
Wellpath: VH - Job #32K0508337 Survey Calculation Method: Minimum Curvature Db: Sybase

Survey: 05/12/08 Start Date: 05/12/2008
Company: Scientific Drilling Internatio Engineer: Guebara w/GeoGyro
Tool: Keeper;Keeper Gyro Tied-to: From Surface

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.16	348.58	100.00	0.07	0.14	-0.03	0.16	0.14	348.58
200.00	0.94	289.00	199.99	0.96	0.54	-0.83	0.87	0.99	303.06
300.00	0.77	241.99	299.98	2.25	0.49	-2.20	0.70	2.25	282.61
400.00	1.09	281.18	399.97	3.66	0.36	-3.73	0.69	3.74	275.54
500.00	1.12	291.94	499.95	5.58	0.91	-5.57	0.21	5.64	279.29
600.00	1.37	295.79	599.93	7.74	1.80	-7.55	0.26	7.76	283.38
700.00	1.70	287.11	699.89	10.40	2.75	-10.04	0.40	10.41	285.33
800.00	1.62	285.82	799.85	13.30	3.57	-12.82	0.09	13.31	285.58
900.00	1.77	296.70	899.81	16.24	4.65	-15.56	0.35	16.24	286.65
965.00	1.76	295.21	964.78	18.22	5.53	-17.36	0.07	18.22	287.67



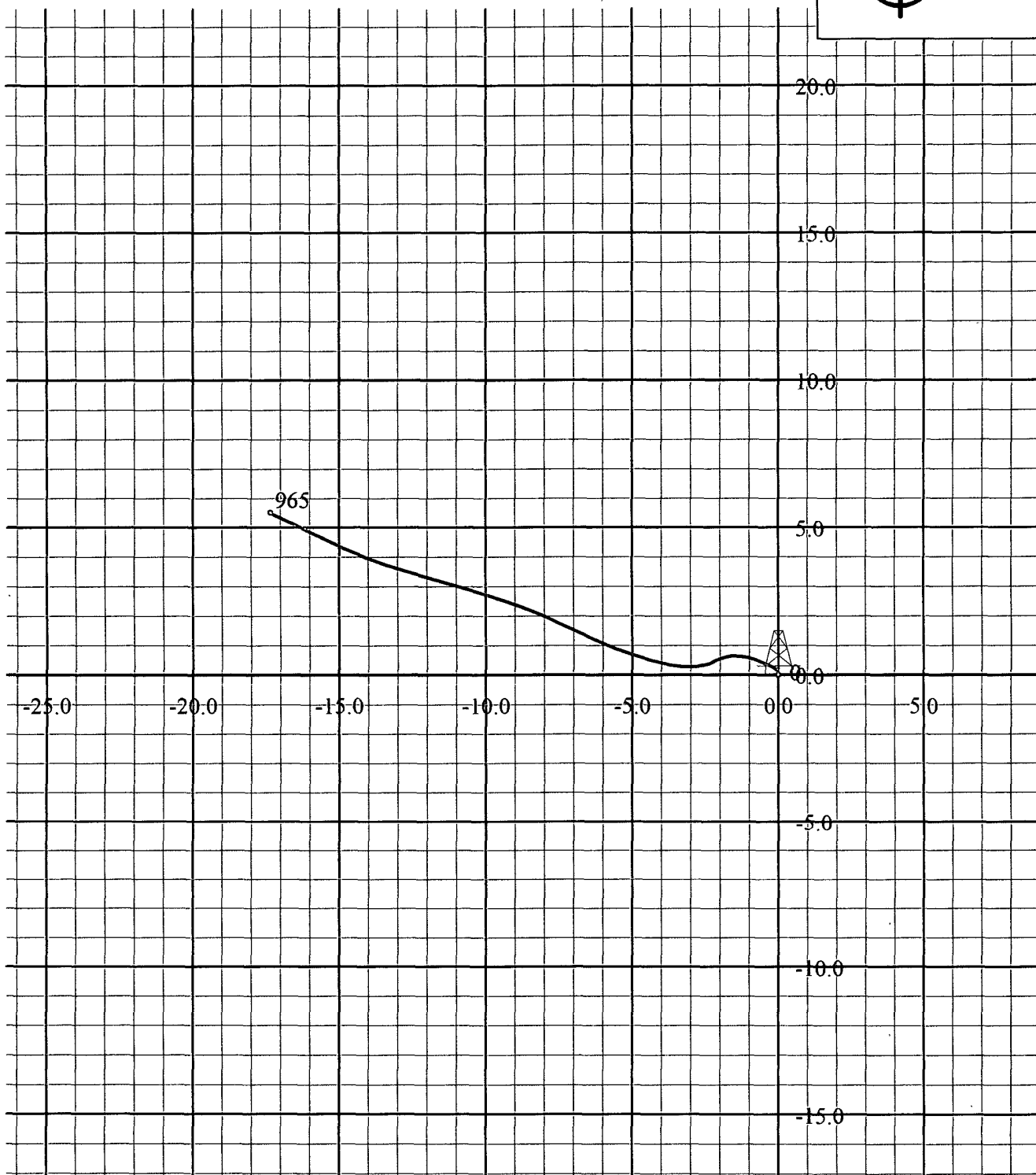
Scientific
Drilling

Field: Wildcat
Site: Chaves County, NM
Well: Starr 34 Fee #1H
Wellpath: VH - Job #32K0508337
Survey: 05/12/08



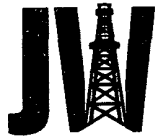
Azimuths to Grid North
True North: 0.00°
Magnetic North: 0.00°

Magnetic Field
Strength: 0nT
Dip Angle: 0.00°
Date: 06/05/2008
Model: igrf2000



South(-)/North(+) [5ft/in]

West(-)/East(+) [5ft/in]



DRILLING INC. Oil Well Drilling Contractor

Post Office Box 160 Artesia, New Mexico 88211-0160 Office (505) 748-8704 Fax (505) 748-8719

June 2, 2008

MYCO Industries, Inc.
P.O. Box 840
Artesia, New Mexico 88211-0840

Re: Star 34 Fee #1H
Sec. 34, T-15-S, R-24-E
Chaves County, New Mexico

Attn: Nelson Muncy

The following is a Deviation Survey on the referenced well in Eddy County, New Mexico:

489' - 2°

Sincerely,

Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF EDDY)

The foregoing was acknowledged before me this 2nd day of June, 2008 by Gary W. Chappell.

MY COMMISSION EXPIRES

07/08/09

NOTARY PUBLIC



OFFICIAL SEAL
Jaime Miller
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 07/08/09