

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

JUL 20 2004

Form C-101
May 27, 2004

OPB-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 POB 840 ARTESIA, NM 88211		² OGRID Number
³ Property Code	⁴ Property Name LONETREE 14 STATE COM	⁵ API Number 30-015-32851
⁶ Proposed Pool 1 Burton Flat, Morrow GAS		⁷ Well No. #1
⁸ 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
0	14	21-S	27-E		660	SOUTH	1980	EAST	EDDY

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

Additional Well Information

¹¹ Work Type Code RE-ENTRY	¹² Well Type Code G	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code STATE	¹⁵ Ground Level Elevation 3205'
¹⁶ Multiple NO	¹⁷ Proposed Depth 11,950	¹⁸ Formation MORROW	¹⁹ Contractor PATTERSON/UTI	²⁰ Spud Date 7-22-04
Depth to Groundwater 400'		Distance from nearest fresh water well > 1-MILE		Distance from nearest surface water > 1-MILE
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20 mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> (ORIGINAL-MEWBOURNE OIL CO) Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48 #	420'	400-SXS	CIRCULATED
12 1/4"	9 5/8"	40 #	2600'	950-SX	CIRCULATED
8 3/4"	5 1/2"	N-80 17#	11,950'	(DN 9000') 2-STAGE	(FLUID CALIPER) CIRC BOTH STAGES

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. **RIG-UP PATTERSON/UTI #74. 5000# BOP- TEST-TEST DAILY. DRILL PLUGS OUT TO TD 11,950' AND RUN 5 1/2" 17# TO TD. NOTIFY ARTESIA OCD PRIOR TO SPUD ; TO RUNNING CSG. NOTE ATTACHED WELL-BORE DIAGRAM. WELL DIA BY MEWBOURNE OIL CO. 12-27-03.**

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: **CRAIG BAILEY**
Title: **OPER. ENGR.**
E-mail Address: **CBAILEY@MYCO INC.COM**
Date: **7/20/04** Phone: **748-4290**

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: **JUL 20 2004**

Expiration Date: **JUL 20 2005**

Conditions of Approval Attached ☐

CEU: 308-3414

NOTIFY OCD OF SPUD & TIME
TO WITNESS CEMENTING OF
SURFACE CASING
Production

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Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: MYCO INDUSTRIES, INC. Telephone: 505-748-4288 e-mail address: hannah@mycoinc.com		
Address: P.O. BOX 840, ARTESIA, NEW MEXICO 88211		
Facility or well name: LONETREE 14 STATE COM #1 API #: 30-015-32851 U/L or Qtr/Qtr O Sec 14 T 21S R 27E		
County: EDDY Latitude 660' FSL Longitude 1980' FEL NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
(N.32° 28' 29.1" W. 104° 09' 29.6)		
Pit Existing Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Re-Entry <input checked="" type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness 20 mil Clay <input type="checkbox"/> Volume <input type="checkbox"/> bbl	Below-grade tank Volume: <input type="checkbox"/> bbl Type of fluid: <input type="checkbox"/> Construction material: <input type="checkbox"/> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. <input type="checkbox"/>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet	(10 points)
	100 feet or more	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)
	No	(0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	(0 points)
Ranking Score (Total Points)		0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☒ offsite ☐ If offsite, name of facility ☐ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface ☐ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☒.

Date: **7-19-2004**

Printed Name/Title **CRAIG BAILEY / FIELD ENGINEER**

Signature *Craig Bailey*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approved: **JUL 20 2004**

Date: *Field Sep 20*

Printed Name/Title *Field Sep 20*

Signature *[Signature]*

NOTE: THIS WELL WAS D/A BY MEWBOURNE OIL COMPANY ON 11/27/03. ORIGINAL DRILLING PIT IS DRY AND LINER INTACT. PLAN TO RE-ENTER WELL 7/22/04 AND RUN 5-1/2" CASING TO TD. WILL USE EXISTING PITS (FENCED) AND CLOSE PER ATTACHED GENERAL PIT PLAN APPROVED BY OCD ON 4/15/04.

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name ESPERANZA "14" STATE COM.	Well Number 3
OGRID No.	Operator Name MEWBOLRNE OIL COMPANY MY CO INDUSTRIES	Elevation 3205

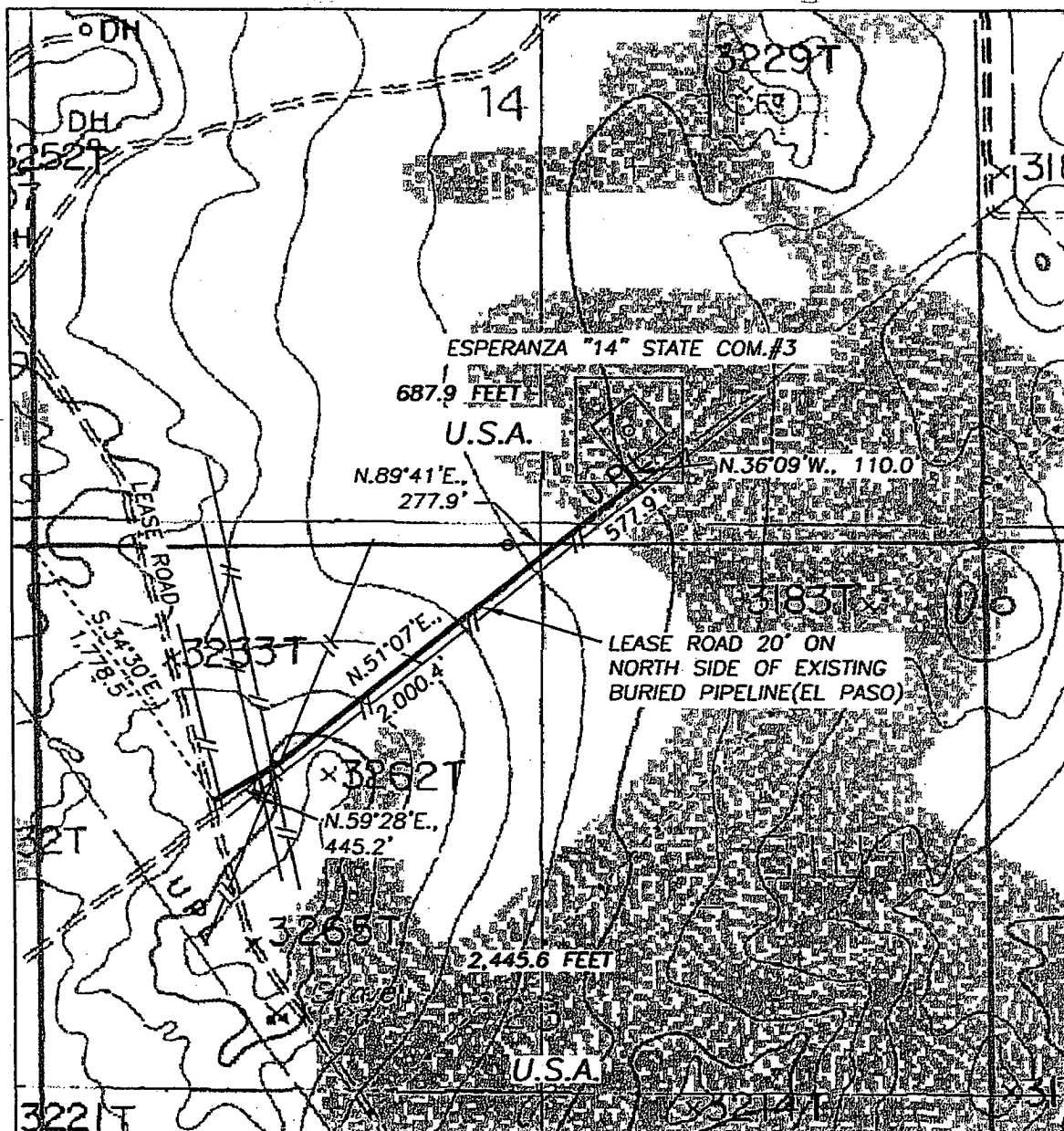
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0	14	21S	27E		660	SOUTH	1980	EAST	EDDY

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

[illegible]

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



DESCRIPTION:

A LEASE ROAD RIGHT OF WAY 30 FEET WIDE AND 3,133.5 FEET IN LENGTH, BEING 15 FEET TO THE LEFT AND RIGHT OF THE SURVEY CENTERLINE AS SHOWN ON THIS PLAT.

SECTION 14: 687.9 FEET = 41.6909 RODS, 0.1303 MILES OR 0.4738 ACRES, MORE OR LESS.

SECTION 23: 2,445.6 FEET = 148.2182 RODS, 0.4632 MILES OR 1.6843 ACRES, MORE OR LESS.

TOTAL 3,133.5 FEET = 189.9091 RODS, 0.5935 MILES OR 2.1581 ACRES, MORE OR LESS.

1000' 0 1000' 2000'
Scale 1" = 1000'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

HERSCHEL L. JONES, E.L.S. No. 3640

GENERAL SURVEYING COMPANY P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

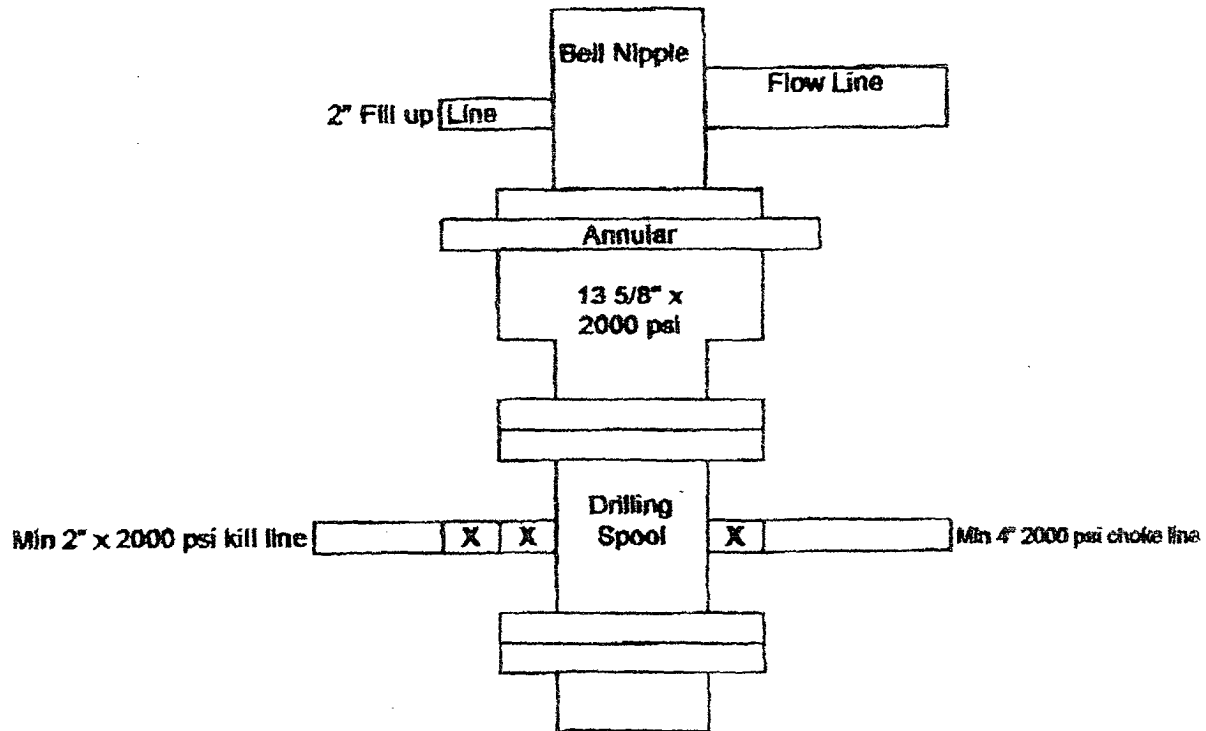
MEWBOURNE OIL COMPANY

LEASE ROAD TO ACCESS THE MEWBOURNE ESPERANZA "14" STATE COM. #3 WELL, LOCATED IN SECTION 14, TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

Survey Date: 6/19/2003	Sheet 1 of 1 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 6/19/03	Scale 1" = 1000' ESPER 14-3

MYCO INDUSTRIES, INC.

BOP Schematic for
12 1/4" Hole

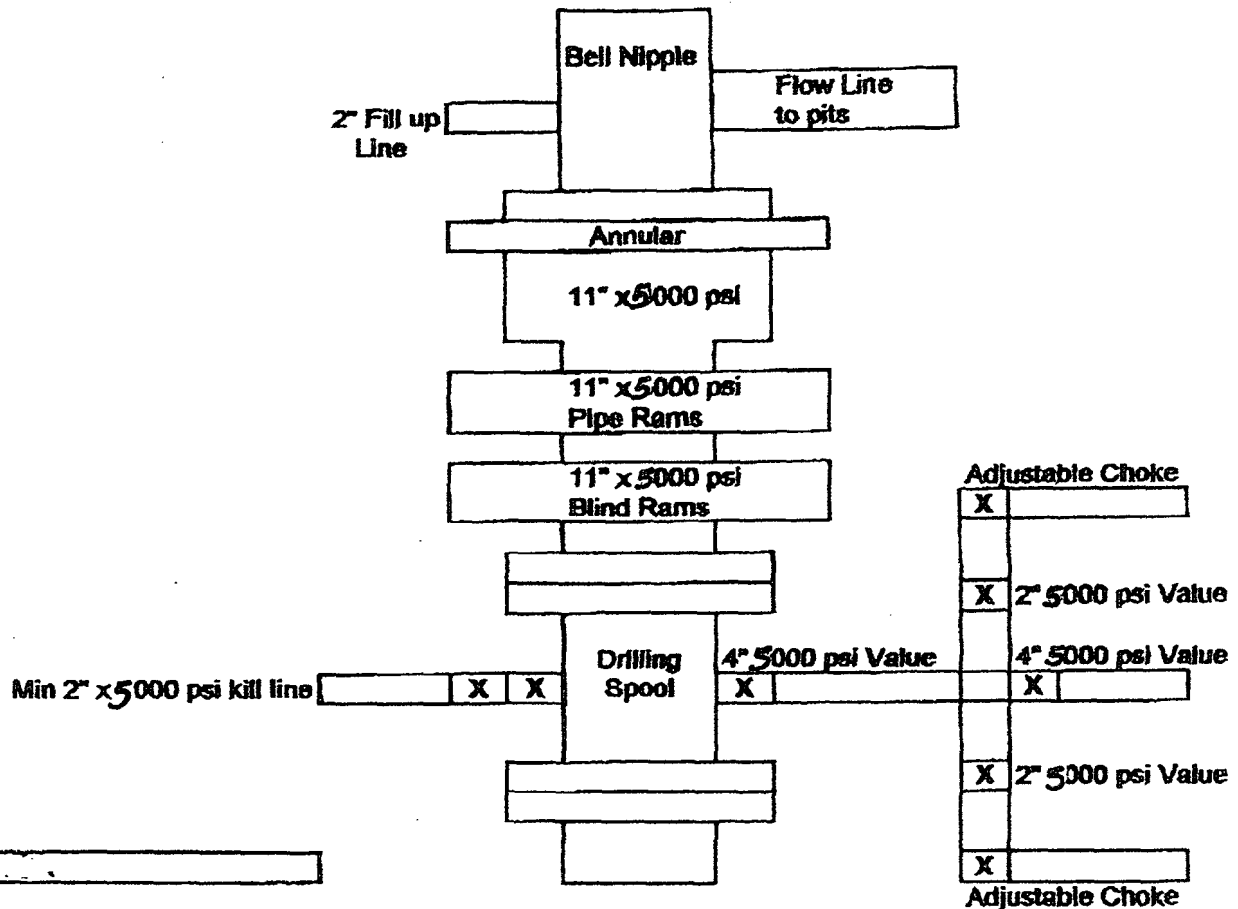


Exhibit

Esperanza "14" State Com #3
660' FSL & 1980' FEL
Sec 14, T21S, R27E
Eddy County, New Mexico

MYCO INDUSTRIES, INC.

BOP Schematic for
7 7/8" Hole
8 3/4"



Exhibit

Esperanza "14" State Corn #3
660' FSL & 1980' FEL
Sec 14, T21S, R27E
Eddy County, New Mexico

MEWBOURNE OIL CO. * *
 LONE TREE 14 ST. COM #1 (ORIGINAL W/ ESPERANZA ST. COM #3)
 S14-T215-R27E
 EDDY CO, NM 660' FSL, 1980' FEL
 GL = 3205'

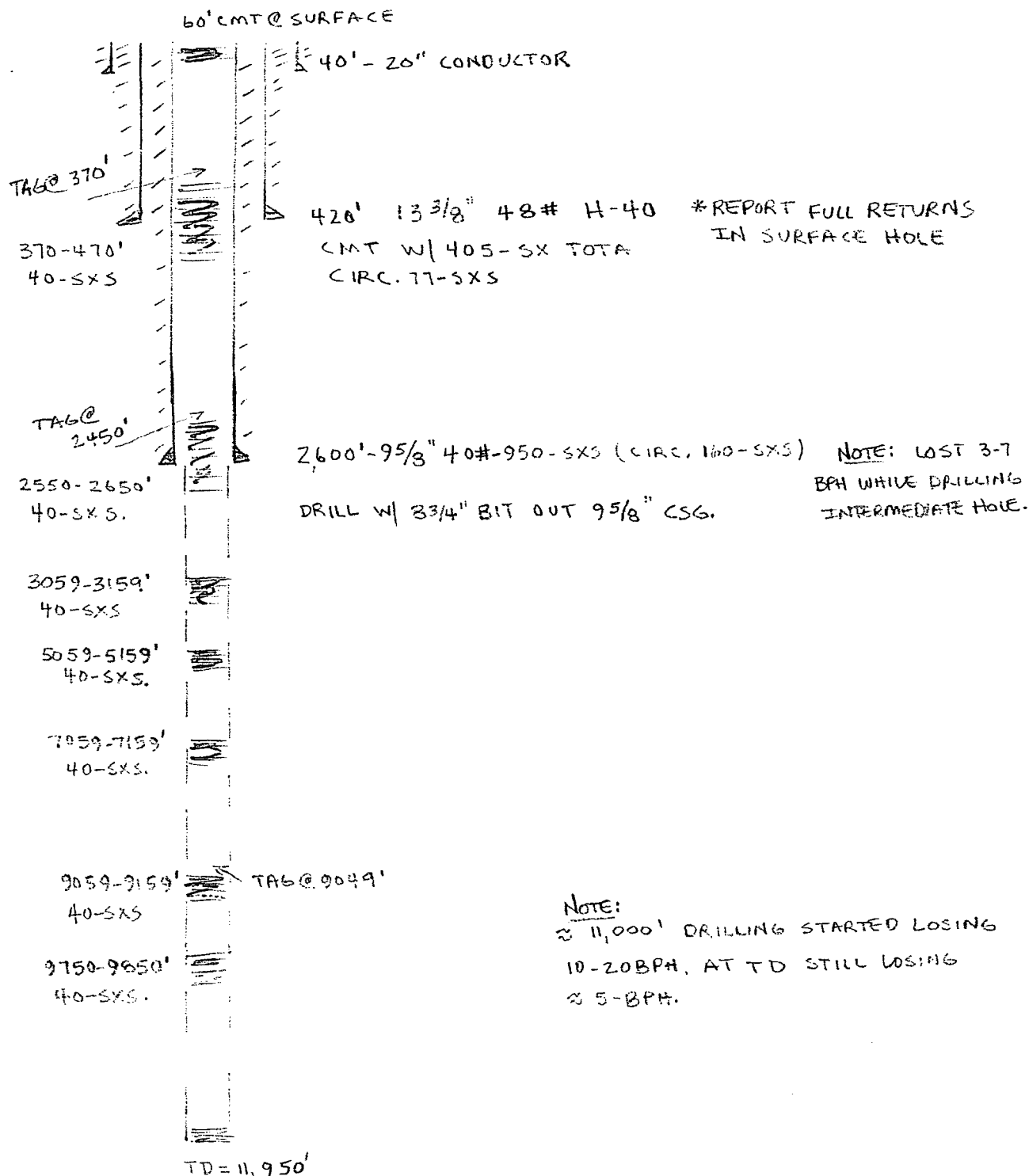
ANM

3-1-04

//

SPUD: 11-22-03

DIA: 12-27-03



40 GREENS
40 REDS
40 BLUES
40 ORANGES
40 PURPLES
40 PINKS
40 BROWNS
40 GREYS
40 BLACKS
40 WHITES
40 SILVER
40 GOLD
40 COPPER
40 BRASS
40 ALUMINUM
40 STEEL
40 CEMENT
40 CONCRETE
40 GLASS
40 CERAMIC
40 PAPER
40 CARDBOARD
40 FABRIC
40 LEATHER
40 RUBBER
40 PLASTIC
40 METAL
40 WOOD
40 STONE
40 CLAY
40 BRICK
40 TILE
40 ROOFING
40 INSULATION
40 PAINT
40 ADHESIVE
40 SEALANT
40 GROUT
40 MORTAR
40 PLASTER
40 GYPSUM
40 CEMENT
40 CONCRETE
40 GLASS
40 CERAMIC
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40 SEALANT
40 GROUT
40 MORTAR
40 PLASTER
40 GYPSUM

Recycled National Brand



MYCO INDUSTRIES, INC.
OIL PRODUCERS
POST OFFICE BOX 840
ARTESIA, NEW MEXICO 88211-0840
Phone (505) 748-1471

July 20, 2004

HAND DELIVERED by Craig Bailey

Oil Conservation Commission
State of New Mexico
1301 West Grand Avenue
Artesia, New Mexico 88210

Attn: Mr. Bryan Aarant

Re: **Lonetree 14 State Com #1**
T21S, R27E, N.M.P.M.
Section 10: 660' FSL & 1980' FEL
Unit Letter O, Eddy County, NM

Dear Bryan:

Per your request, this letter is in reference to the OCD's requirements for H2S contingency plan for the above captioned well. No H2S, abnormal pressures or temperatures are expected in the drilling of the above captioned well.

H2S detection equipment will be installed prior to the top of the Delaware formation as a precautionary measure.

Very truly yours,
MYCO INDUSTRIES, INC.

Craig Bailey
Craig Bailey