

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-86923
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR MYCO INDUSTRIES, INC.		7. UNIT AGREEMENT NAME
3. ADDRESS AND TELEPHONE NO. P.O. BOX 840, Artesia, NM 88210-0840 (505) 748-1271		8. FARM OR LEASE NAME, WELL NO. BITSY FEDERAL #2
4. LOCATION OF WELL (Report location clearly and in accordance with BLM Form 1000-1) 1980' FNL & 1980' FWL UNIT LETTER F At proposed prod. zone SAME OPER. OGRID NO. 15445 PROPERTY NO. 18884 POOL CODE 53817 EFF. DATE 10-26-00 API NO. 30-025-35219		9. API WELL NO. 30-025-35219
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN 39-MILES WEST AND NORTH OF JAL, NM		10. FIELD AND POOL, OR WILDCAT SAND DUNES; DELAWARE EAST
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 7-T23S-R32E NMPM
16. NO. OF ACRES IN LEASE 617.2		12. COUNTY OR PARISH LEA
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		20. ROTARY OR CABLE TOOLS ROTARY
21. ELEVATIONS (Show whether DF, RT, GR, etc.) GL 3525'		22. APPROX. DATE WORK WILL START* 30-DAYS

## 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# H-40	860'	500-SXS (CIRCULATE)
12-1/4"	8-5/8"	32# J-55	4600'	1500-SXS (CIRCULATE)
7-7/8"	5-1/2"	17# k-55	8700'	900-sxs (TIE BACK TO 8-5/8")

MYCO INDUSTRIES, INC. PROPOSES TO DRILL AND TEST THE DELAWARE AND INTERMEDIATE FORMATIONS. APPROXIMATELY 860' OF SURFACE W/CMT. CIRC. AND APPROXIMATELY 4600' OF INTERMEDIATE W/CMT. CIRC. IF COMMERCIAL, PRODUCTION CASING WILL BE RUN AND CMT. TIED BACK TO THE INTERMEDIATE. THE WELL WILL BE PERFORATED AND STIMULATED AS NEEDED FOR PRODUCTION. A 640-PUMPING UNIT WITH ELECTRICITY IS ANTICIPATED FOR PRODUCTION.

A FIELD SURVEY HAS BEEN PERFORMED WHICH HAS DETERMINED THAT THERE ARE NO PRAIRIE CHICKENS IN THE AREA AND A COPY OF THE FIELD SURVEY PREPARED BY DR. TROY L. BEST, AUBURN UNIVERSITY IS ATTACHED.

\*\* REQUEST EXEMPTION TO PRAIRIE CHICKEN STIPS FOR DRILLING, COMPLETION AND WORKOVER PURPOSES.

\*\*\* REQUEST EXEMPTION TO THE H2S DRILLING STIPS.

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 LARRY D. BRAY TITLE OPERATIONS MANAGER DATE 09/06/2000

(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:

LARRY D. BRAY

Assistant Field Manager,  
Lands And Minerals

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE OCT 24 2000

\*See Instructions On Reverse Side

APPROVED FOR 1 YEAR