

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 232305

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

1. Operator Name and Address AMTEX ENERGY INC P.O. Box 3418 Midland, TX 79702		2. OGRID Number 785
4. Property Code 316337		3. API Number 30-025-43628
5. Property Name DAGGER STATE COM		6. Well No. 507H

7. Surface Location

UL - Lot	G	Section	30	Township	21S	Range	33E	Lot Idn	G	Feet From	1340	N/S Line	N	Feet From	1930	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	O	Section	31	Township	21S	Range	33E	Lot Idn	O	Feet From	50	N/S Line	S	Feet From	1930	E/W Line	E	County	Lea
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9. Pool Information

WC-025 G-06 S213326D;BONE SPRING	97929
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3788
16. Multiple N	17. Proposed Depth 19800	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1650	500	0
Int1	12.25	9.625	40	5150	950	0
Prod	8.5	5.5	20	19800	1150	5000

Casing/Cement Program: Additional Comments

The well plan for circulating cement to surface for the 9 5/8ths Intermediate Casing shall be to have an annulus casing packer (ACP) set below the base of the salt zone at 3,700+/- The DV tool will then be placed directly above the ACP.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: _____ Printed Name: Electronically filed by Karol Eads Title: Office Manager/Accounting Supervisor Email Address: keads@amtenergy.com Date: 2/23/2017	<div style="text-align: center; border-bottom: 1px solid black; padding-bottom: 5px;">OIL CONSERVATION DIVISION</div> Approved By: Paul Kautz Title: Geologist Approved Date: 2/24/2017 Expiration Date: 2/24/2019 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 232305

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-43628	2. Pool Code 97929	3. Pool Name WC-025 G-06 S213326D;BONE SPRING
4. Property Code 316337	5. Property Name DAGGER STATE COM	6. Well No. 507H
7. OGRID No. 785	8. Operator Name AMTEX ENERGY INC	9. Elevation 3788

10. Surface Location

UL - Lot G	Section 30	Township 21S	Range 33E	Lot Idn G	Feet From 1340	N/S Line N	Feet From 1930	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot O	Section 31	Township 21S	Range 33E	Lot Idn O	Feet From 50	N/S Line S	Feet From 1930	E/W Line E	County Lea
12. Dedicated Acres 280.00			13. Joint or Infill		14. Consolidation Code			15. 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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained 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(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Karol Eads Title: Office Manager/Accounting Supervisor Date: 2/23/2017</p>
	<p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Terry J. Asel Date of Survey: 6/3/2016 Certificate Number: 15079</p>

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Santa Fe, NM 87505

Form APD Comments

 Permit 232305

PERMIT COMMENTS

Operator Name and Address: AMTEX ENERGY INC [785] P.O. Box 3418 Midland, TX 79702		API Number: 30-025-43628
		Well: DAGGER STATE COM #507H
Created By pkautz	Comment REJECTED at operators request	Comment Date 2/23/2017

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Form APD Conditions

Permit 232305

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: AMTEX ENERGY INC [785] P.O. Box 3418 Midland, TX 79702	API Number: 30-025-43628
	Well: DAGGER STATE COM #507H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Only Fresh Water and Air are Valid Drilling Fluids for Surface Casing
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	The Operator is to notify NMOCDD by sundry (Form C-103) within ten (10) days of spudding a well.
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	Submit Gas Capture Plan form prior to spud