

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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

Form C-10
June 19, 20

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-25570

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-9774

7. Lease Name or Unit Agreement Name

State "T" Devonian

8. Well Number

9

9. OGRID Number

228051

10. Pool name or Wildcat

Denton (Devonian)

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other SHUT-IN.

2. Name of Operator

AMERICO ENERGY RESOURCES

3. Address of Operator

7575 SAN FELIPE STE 200
HOUSTON, TX 77063

4. Well Location

Unit Letter N : 350 feet from the South line and 1650 feet from the West line
Section 2 Township 15S Range 37E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Notify OCD
2. Move in rig and rig up service rig
3. Run a CIBP at 11,000'.
4. Place 20' cement cap on the CIBP.
5. Check and test the 5-1/2" casing.
6. Squeeze off and drill and conduct pressure integrity test.
7. Report the results.
8. Cleanup location.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 14189..... Exhibit No. 5
Submitted by:
Americo Energy Resources, LLC
Hearing Date: October 30, 2008

Spud Date:

10/28/08

Rig Release Date:

11/1/08

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

SIGNATURE

Ehsan Bayat

TITLE

Regulatory Analyst

DATE

10/24/08

Type or print name

EHSAN BAYAT

E-mail address:

ehsan.bayat@americoenergy.com

PHONE:

713 984-9700

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
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District IV
1220 S St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-025-25570
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-9774
7. Lease Name or Unit Agreement Name	State "T" Devonian
8. Well Number	9
9. OGRID Number	228051
10. Pool name or Wildcat	Denton (Devonian)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other Shut-in

2. Name of Operator

Americo Energy Resources, LLC

3. Address of Operator

7575 San Felipe, Suite 200, Houston, TX 77063

4. Well Location

Unit Letter **K** : **2415** feet from the **South** line and **1650** feet from the **West** line

Section **2** Township **15S** Range **37E** NMPM County **Lea**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

KB 3812'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 1- Notify OCD
- 2- Move in & rig up service rig
- 3- Cut and recover 200' of tubing with electric cable below tight spot/parted casing at 9,995'
- 4- Check and repair 5 1/2" collapsed casing to full ID of 4,892' in order to pull 4.5" motor
- 5- Latch onto tubing and try to pull out fish
- 6- Re-cut tubing and cable 15' above submersible pump if unable to pull out fish
- 7- Jar and fish out submersible pump
- 8- Check and test 5 1/2" casing
- 9- Squeeze off and drill. Conduct pressure test, Clean up wellbore to PBTD
- 10- Run gauge ring and caliper
- 11- Run pumps and tubing in the hole
- 12- Rig down and move out service rig
- 13- Test and report test results
- 14- Clean location

RECEIVED

FEB 08 2008

HOBBS OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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 ☐.

SIGNATURE *Oscar Nosrati* TITLE Vice President - Operations DATE 2/7/08

Type or print name Oscar Nosrati E-mail address: oscar.nosrati@americoenergy.com Telephone No. 713-984-9700

For State Use Only

APPROVED BY: *Harry W. Wink* TITLE _____ DATE FEB 08 2008

Conditions of Approval (if any):

UC FIELD REPRESENTATIVE / STAFF MANAGER

DATE: 3-31-08		DAILY WORKOVER / COMPLETION REPORT				ISO	
WELL NAME & NO. STATE "T" WELL# 9					FIELD DENTON		
SEC.		TWP		RGE		COUNTY LEA	STATE NM
AFE NO. PO# DEN-7432.....		W.L. 100%			GROSS AFE		
JOB DESCRIPTION: ATTEMPT TO FISH SUB PUMPS AND REPAIR WELL.					SUPPLEMENT 1		
					TOTAL GROSS AFE		
		SIZE	WT.	GRADE	DEPTH	THREAD	
C	S	13-3/8"	54.5#	J-55	361'	ST&C	
		9-5/8"	36# .40#	J-55	4700'	LT&C	
		5-1/2"	17# .15.5#	N80, HYDRIL	12797'	LT&C	
T	B	2-7/8"	6.5	N80		SRD	
PERFS:							
11368-197, 11820-929, 11969-998, 12036-150, 12188-236' 12330-12340' ?			TD 12797'	PBTD 12355'	PERFS ? unknown	FORMATION	
COST ITEMS	\$	VENDOR	RIGGED UP	S.N. @	EOT @	ON-OFF	
LOCATION							
RIG	3500	VIVA-DEN7432A	WORK PERFORMED				
BOP.S	300	D&L-DEN7432B	Start Time: 7am Stop time: 7:30pm MONDAY				
COMP FLUIDS							
FORK LIFT		TWS-DEN7432H	OW, NO FLOW. FILL UP RIG TANK WITH 90 BBL OF BRINE WATER.				
DNHOLE RENT			MADE UP AND GIH WITH TOOTH TYPE SHOE, AND OVERSHOT TO CATCH FISH				
REV UNIT	1925	ABC-DEN7473F	TAGGED JUNK AND COPPER WIRES @ 11117', 30' ABOVE FISH. RIGGED UP				
V. TRUCK		L&G-DEN7432D	POWER SWIVEL, ROTATE & WASHED DOWN TO 11208' UNABLE TO GO DEEPER.				
PUMP TRUCK		Muslewhite-DEN7432E	ATTEMPT TO LATCH ONTO FISH WITHOUT SUCCESS, OVERSHOT PULLING LOOSE.				
LABOR		EZ-DEN7432J	CIRULATED WELL CLEAN, RECOVERED ARMED BANDS FROM FLAT CABLE.				
LOG / PERF		ROTARY-DEN7432L	BROKEN COOPER WIRES, RUBBERS AND FORMATION DEPOSTS.				
CSG / TBG SVC							
WIRE LINE		EXPRESS-DEN7432P	POOH WITH WORK STRING. AND BHA. LAID DOWN OVERSHOT.				
VAC TRUCK		RANGLER-DEN7432M	CLOSED WELL IN. SDFN.				
FISHING SVC	4600	weathrford-DEN7432C					
SWABBING			WILL ATTEMPT TO WASH OVER THE FISH				
CTU / SNUB		BOBCAT-DEN7432K					
TUBING							
FREE PT/CUT		ROT WL-DEN7432-G					
M.MOTOR		SMITH-DEN7432-N					
PUMP TRUCK		boom range-DEN7432-I					
WASH PIPE		fork lift ent-DEN742-0					
PIPE / METER			TOP OF FISH NOW 11,208'				
DAILY	10,325		TOP OF ESP 11318'				
PREVIOUS	429,479		REPORT BY: Hadi			ACCIDENTS: -0-	
TOTAL	439,804	5439,804	RIG# VIVA			PHONE: 361-649-7340	

DATE: 4-01-08			DAILY WORKOVER / COMPLETION REPORT			ISO	
WELL NAME & NO. STATE "T" WELL# 9					FIELD DENTON		
SEC.		TWP	RGE	COUNTY LEA	STATE NM		
AFE NO. PO# DEN-7432.....		W.I. 100%		GROSS AFE			
JOB DESCRIPTION: ATTEMPT TO FISH SUB PUMPS AND REPAIR WELL.					SUPPLEMENT 1		
					TOTAL GROSS AFE		
		SIZE	WT.	GRADE	DEPTH	THREAD	
C S G		13-3/8"	54.5#	J-55	361'	ST&C	
		9-5/8"	36# 40#	J-55	4700'	LT&C	
		5-1/2"	17#, 15.5#	N80, HYDRIL	12797'	LT&C	
T B G		2-7/8"	6.5	N80		8RD	
PERFS:							
11368-397, 11829-929', 11969-998', 12036-150, 12188-236'			TD	PBTD	PERFS	FORMATION	
12330-12340' ?			12797'	12355'	? unknown		
COST ITEMS	\$	VENDOR	RIGGED UP	S.N. @	EOT @	ON-OFF	
LOCATION							
RIG	4800	VIVA-DEN7432A	WORK PERFORMED				
BOP:S	300	D&L-DEN7432B	Start Time: 7am Stop time: 6:30pm				
COMP FLUIDS							
FORK LIFT		TWS-DEN7432H	OW, NO FLOW.				
DNHOLE RENT			LAID DOWN OVERSHOT, PULLED YESTERDAY. BROKEN DOWN OVERSHOT AND				
REV. UNIT	1925	ABC-DEN7473F	FOUND 2 LB OF WIRES BALLED IN OVERSHOT. CLEANED UP OVERSHOT.				
V. TRUCK		L&G -DEN7432D					
PUMP TRUCK		Muslewhite-DEN7432E	PU & GIH WITH 4-11/16" TOOTH TYPE SHOE 1 JT OF WP AND JUNK CATCHER ON,				
LABOR		EZ-DEN7432J	WORK STRING TUBING. PU POWER SWIVEL, WASH AND CLEARED CASING				
LOG / PERF		ROTARY-DEN7432L	TO 11216' (TOP OF FISH 11208'). CIRCULATED WELL CLEAN. RECOVERED. PIPE SCALE				
CSG / TBG SVC			IRON SULFIED AND SMALL PIECES OF CABLE BAND.				
WIRE LINE		EXPRESS-DEN7432P	POOH WITH TUBING AND BHA. LAID DOWN WASH PIPE.				
VAC. TRUCK		RANGLER-DEN7432M	GIH WITH OVERSHOT, 2-7/8" GRAPPLE, ON SET OF JARS AND DRILL COLLARS.				
FISHING SVC	4400	weathrford-DEN7432C	RIH TO ABOVE THE FISH AT 10980' AND CLOSED WELL IN FOR NIGHT.				
SWABBING							
CTU / SNUB		BOBCAT-DEN7432K	WILL LATCH ON FISH IN AM.				
TUBING							
FREE PT/CUT		ROT.WL-DEN7432-G					
M.MOTOR		SMITH-DEN7432-N					
PUMP TRUCK		boom range-DEN7432-I					
WASH PIPE		fork lift ent-DEN742-0					
PIPE / METER			TOP OF FISH NOW 11,208'				
DAILY	11,425		TOP OF ESP 11318'			ACCIDENTS: -0-	
PREVIOUS	439,804		REPORT BY: Hadi				
TOTAL	451,229	\$451,229	RIG# VIVA			PHONE: 361-649-7340	

DATE: 4-02-08			DAILY WORKOVER / COMPLETION REPORT			ISO	
WELL NAME & NO. STATE "T" WELL# 9					FIELD DENTON		
SEC.		TWP		RGE	COUNTY LEA	STATE NM	
AFE NO. PO# DEN-7432.....		W.I. 100%			GROSS AFE		
JOB DESCRIPTION: ATTEMPT TO FISH SUB PUMPS AND REPAIR WELL.					SUPPLEMENT 1		
					TOTAL GROSS AFE		
		SIZE	WT.	GRADE	DEPTH	THREAD	
C S G		13-3/8"	54.5#	J-55	361'	ST&C	
		9-5/8"	36#.40#	J-55	4700'	LT&C	
		5-1/2"	17#.15.5#	N80.HYDRIL	12797'	LT&C	
T B G		2-7/8"	6.5	N80		8RD	
PERFS:							
11368-397,11829-929',11969-998',12036-150,12188-236' 12330-12340' ?			TD	PBTD	PERFS	FORMATION	
			12797'	12355'	? unknown		
COST ITEMS	\$	VENDOR	RIGGED UP	S.N. @	EOT @	ON-OFF	
LOCATION							
RIG	4200	VIVA-DEN7432A	WORK PERFORMED				
BOP.S	300	D&L-DEN7432B	Start Time:7am Stop time:6:30pm				
COMP FLUIDS			OW, NO FLOW.				
FORK LIFT		TWS-DEN7432H	FIH WITH OVERSHOT, TAG FISH AT 11209' , ROTATE OVER FISH UNABLE TO GET				
DNHOLE RENT			HOLD OF FISH. POOH WITH TUBING AND BHA. LAID DOWN OVERSHOT.				
REV.UNIT	1925	ABC-DEN7473F					
V.TRUCK		L&G -DEN7432D	EX-CHANGED 2-7/8" GRAPPLE, AND MILL CONTROL, AND TIH ON SAME ASSY.				
PUMP TRUCK		Muslewhite-DEN7432E	ON 336 JTS OF TUBING. TAGGED AT 11209' RIG UP POWER SWIVEL. WASHED OVER				
LABOR		EZ-DEN7432J	AND ENGAGED FISH. WORK AND PULLED 106000 LB AND JAR ON FISH FOR				
LOG / PERF		ROTARY-DEN7432L	1 HR UNABLE TO GET FISH FREE. THE OIL JARS STOP WORKING.				
CSG / TBG SVC							
WIRE LINE		EXPRESS-DEN7432P	RELEASED OFF THE FISH. LAID DOWN POWER SUB.				
VAC.TRUCK		RANGLER-DEN7432M	PULLED 5 STANDS IN CLEAR AND CLOSED WELL IN.				
FISHING SVC	4600	weathrford-DEN7432C	SDFN.				
SWABBING			WILL WASH OVER THE FISH (EITHER TOO MUCH FORMATION DEPOSITS.& WIRES				
CTU / SNUB		BOBCAT-DEN7432K	PACKED AROUND THE FISH OR THE PIPE IS NOT CUT THROUGH @ 11273')				
TUBING							
FREE PT/CUT		ROT.WL-DEN7432-G					
M.MOTOR		SMITH-DEN7432-N					
PUMP TRUCK		boom range-DEN7432-I					
WASH PIPE		fork lift ent-DEN742-0					
PIPE / METER			TOP OF FISH NOW 11,208'				
DAILY	11,029		TOP OF ESP 11318'			ACCIDENTS: -0-	
PREVIOUS	451,229					REPORT BY: Hadi	
TOTAL	462,258	\$462,258	RIG# VIVA			PHONE: 361-649-7340	

DATE: 4-04-08			DAILY WORKOVER / COMPLETION REPORT			ISO	
WELL NAME & NO. STATE "T" WELL# 9					FIELD DENTON		
SEC.		TWP		RGE		COUNTY LEA	STATE NM
AFE NO. PO# DEN-7432.....		W.I. 100%		GROSS AFE			
JOB DESCRIPTION: ATTEMPT TO FISH SUB PUMPS AND REPAIR WELL.					SUPPLEMENT 1		
					TOTAL GROSS AFE		
		SIZE	WT.	GRADE	DEPTH	THREAD	
C S G		13-3/8"	54.5#	J-55	361'	ST&C	
		9-5/8"	36#.40#	J-55	4700'	LT&C	
		5-1/2"	17#.15.5#	N80, HYDRIL	12797'	LT&C	
T B G		2-7/8"	6.5	N80		8RD	
PERFS:							
11368-397,11829-929',11969-998',12036-150,12188-236'			TD	PBTD	PERFS	FORMATION	
12330-12340' ?			12797'	12355'	? unknown		
COST ITEMS	\$	VENDOR	RIGGED UP	S.N. @	EOT @	ON-OFF	
LOCATION							
RIG	3900	VIVA-DEN7432A	WORK PERFORMED				
BOP:S	300	D&L-DEN7432B	Start Time:7am Stop time:6:30pm FR				
COMP FLUIDS			OW, NO FLOW.				
FORK LIFT		TWS-DEN7432H	FINISHED OUT HOLE WITH WORK STRING AND BHA. LAID DOWN 2 JTS OF 4-1/2"				
DNHOLE RENT			WASH PIPES, SHOE AND X-OVER SUBS.				
REV.UNIT	700	ABC-DEN7473F	PU AND GIH WITH 4-11/16" LIP GUIDE, OVERSHOT DRESSED W/2-7/8" GRAP. ON				
V.TRUCK		L&G -DEN7432D	SET OF JARS, 4 DRILL COLLARS, ANA ACC.JARS ON 2-7/8" N80 WORK STRING				
PUMP TRUCK		Muslewhite-DEN7432E	PIPE.				
LABOR		EZ-DEN7432J	TAGGED FISH AT 11209', ROTATE OVER AND ENGAGED FISH, JAR AND PULLED				
LOG / PERF		ROTARY-DEN7432L	ON FISH 110000 LB FOR 1:34 MTS NO MOVEMENTS. APPARENTLY THE FISH AT				
CSG / TBG SVC			AT THE DEPTH 11273' FAILED TO CUT THROUGH. RELEASED OVERSHOT FROM				
WIRE LINE		EXPRESS-DEN7432P	FISH. POOH WITH WORK STRING, LAID DOWN FISHING TOOLS AND EQUIPMT				
VAC.TRUCK		RANGLER-DEN7432M	AS ORDERED BY AMERICO ENERGY PENDING AFE REVIEW WITH PARTNERS.				
FISHING SVC	4600	weathrford-DEN7432C					
SWABBING			WILL RIH WITH WORK STRING OPEND ENDED TOMORROW.				
CTU / SNUB		BOBCAT-DEN7432K					
TUBING							
FREE PT/CUT		ROT.WL-DEN7432-G					
M.MOTOR		SMITH-DEN7432-N					
PUMP TRUCK		boom range-DEN7432-I					
WASH PIPE		fork lift ent-DEN742-0					
PIPE / METER			TOP OF FISH NOW 11,208'				
DAILY	9,500		TOP OF ESP 11318'			ACCIDENTS: -0-	
PREVIOUS	472,283		REPORT BY: Hadi				
TOTAL	481,783	\$481,783	RIG# VIVA			PHONE: 361-649-7340	

DATE: 4-05-08			DAILY WORKOVER / COMPLETION REPORT			ISO	
WELL NAME & NO.					FIELD		
STATE "T" WELL# 9					DENTON		
SEC.		TWP		RGE		COUNTY	STATE
						LEA	NM
AFE NO.		W.L. 100%			GROSS AFE		
PO# DEN-7432.....							
JOB DESCRIPTION: ATTEMPT TO FISH SUB PUMPS AND REPAIR WELL.					SUPPLEMENT 1		
					TOTAL GROSS AFE		
		SIZE	WT.	GRADE	DEPTH	THREAD	
C	S	13-3/8"	54.5#	J-55	361'	ST&C	
		9-5/8"	36# 40#	J-55	4700'	LT&C	
		5-1/2"	17# 15.5#	N80 HYDRIL	12797'	LT&C	
T	B	2-7/8"	6.5	N80		8RD	
PERFS:							
11368-397, 11829-929, 11969-998, 12036-150, 12188-236			TD	PBTD	PERFS	FORMATION	
12339-12340 ?			12797'	12355'	? unknown		
COST ITEMS	\$	VENDOR	RIGGED UP	S.N. @	EOT @	ON-OFF	
LOCATION							
RIG	2360	VIVA-DEN7432A	WORK PERFORMED				
BOP'S	300	D&L-DEN7432B	Start Time: 7am Stop time: 6:30pm sat				
COMP FLUIDS			OW, NO FLOW.				
FORK LIFT		TWS-DEN7432H	AS ORDER BY AMERICO ENERGY. GIH WITH W/ 330 JTS OF 2-7/8" EUE 8RD N80				
DNHOLE RENT			TUBING (THIS IS THE NEW TBG STRING BOUGHT FOR MANN #2 WELL WE USE IT AS				
REV UNIT		ABC-DEN7432F	WORK STRING TO AVOID RENTING PIPE TO WORK WITH).				
V. TRUCK		L&G -DEN7432D					
PUMP TRUCK		Muslewhite-DEN7432E	NIPPLE DOWN BOP'S, REPLACED AND INSTALLED NEW WELLHEAD FALNAGE				
LABOR		EZ-DEN7432J	AND CLOSED THE WELL IN.				
LOG / PERF		ROTARY-DEN7432L					
CSG / TBG SVC			RIG DOWN VIVA RIG AND MOVED OFF TO FK#3 UNIVERSITY AT ANDREWS TX.				
WIRE LINE		EXPRESS-DEN7432P					
VAC. TRUCK		RANGLER-DEN7432M					
FISHING SVC		weathrford-DEN7432C	T/A THE WELL PENDING WELLBORE EVALUATIONS.				
SWABBING							
CTU / SNUB		BOBCAT-DEN7432K					
TUBING							
FREE PT/CUT		ROT WL-DEN7432-G					
M. MOTOR		SMITH-DEN7432-N					
PUMP TRUCK		boom range-DEN7432-I					
WASH PIPE		fork lift ent-DEN742-0					
PIPE / METER			TOP OF FISH NOW 11,208'				
DAILY	2,660		TOP OF ESP 11318'				
PREVIOUS	481,783		REPORT BY: Hadi				
TOTAL	484,443	\$484,443	PHONE: 361-649-7340				

Americo

Energy Resources, LLC

October 28, 2008

To: Working Interest Owners

Re: Notice of Proposed Operations
State T Devonian B No. 009
350 FSL & 1650 FWL
Sec, 2 Township 15 South, Range 37 East
Denton Field, Lea County, NM

Gentlemen:

Americo Energy Resources, LLC, as Operator, hereby respectfully submits the attached AFE for operations to be conducted on the referenced well. The estimated cost for the AFE is \$56,619.

Also attached is a well diagram of the proposed operation for your review and consideration.

Please review and sign below indicating your approval of this AFE, and then return one executed copy of this notice. Also in accordance with the existing JOA we are requesting that you include a check for your portion of the AFE with this approval letter.

Since this type of operation is considered regulatory work, your prompt attention to this matter is greatly appreciated.

Please contact me if you have any questions or require further information.

Sincerely



Oscar Nosrati
Vice President of Operations

Approved by. _____

Company Name: _____

By; _____

Title: _____

Prepared by: <u>Oscar Nosrati</u>		DATE ISSUED		DATE AFE TO CLOSE		PAGE	
AUTHORIZATION FOR EXPENDITURE - WELLS		10/28/2008				1	
AFE NO.	TYPE	AFE NAME State T well #9		OPERATOR Americo Energy			
COMPANY Americo Energy		DIVISION		DIVISION / SUB			
DISTRICT / ORG NEW MEXICO FIELD		DISTRICT / SUB		COUNTRY U.S.A.			
STATE Texas		COUNTY OR PARISH NEW MEXICO STATE		TAX DISTRICT			
FIELD OR AREA DENTON FIELD		PRIMARY RESERVOIR		SECONDARY RESERVOIR			
DENTON FIELD, NEW MEXICO		ASSOCIATED AFE		AFE CLASS		COST PROPERTY	
PROJECT DESCRIPTION MECHANICAL INTEGRITY TEST TO BRING THE WELL IN COMPLIANCE AS REQUIRED BY STATE OF NEW MEXICO "OCD".							
DATE TO START	DATE TO COMPLETE	WELL NO.	PLAY	PROJECT DAYS	PROJ.GROUP	Est Depth TD	Est Depth TVD
				ENVIRONMENTAL COST			
				DRY HOLE			
				CASED & COMPLETE D			
				TOTAL			
INTANGIBLES							
SALARIES & WAGES : Supervisor 12 days @ 1400/day							
PAYROLL BURDEN							
LOCATION PREPARATION & RECLAMATION							
CEMENT & CEMENTING SERVICE							
MUD LOGGING							
MUD MATERIALS, CHEMICALS, COMPLETION FLUIDS, & MUD ENGINEERING							
LOGGING & FORMATION EVALUATION							
PERFORATING							
STIMULATION TREATMENT - GRAVEL PACKING, FRACS, ETC.							
DRILL STEM FORMATION TESTING SERVICES							
DIRECTIONAL DRILLING & MWD							
RENTAL EQUIPMENT: Tub DSA, Elev. BIT & SCRAPER, BOP's - RBP							
DRILLING CONTRACT FOOTAGE							
COMPLETION RIG DAY RATE							
				3 days at \$5000 a day		15,000	15,000
				TOTAL			
FLOAT EQUIPMENT & CEMENTING AIDS							
BITS, & SCRAPER							
SPECIALTY WELL SERVIC							
				LABOR, supervisor, 4 days \$1400 a day		5,600	5,600
MOB/DEMOB - RIG UP/RIG DOWN-CONTRACT							
FUEL, WATER, POWER, LUBRICANTS							
Reverse unit, pump and tank.							
Coil tubing							
Acid treatment							
FISHING SERVICES.							
SOLIDS CONTROL & ASSOCIATED EQUIPMENT							
				TRANSPORTATION		1,500	1,500
TESTING TUBING IN THE HOLE							
				WIRE LINE TK-run guage ring, set CIBP, dump 25' cmt		20,000	20,000
				pmp trk load casing w/ pkr fluid & run T/A test for OCD		4,500	4,500
				TOTAL INTANGIBLES		46,600	46,600
TANGIBLES							
CASING	FT.	IN.	LB.	GR.	@ \$		
Drive Pipe							
Conductor							
Surface							0
Intermediate							0
LINER 1							0
LINER 2							0
Production							
TUBING							
CASINGHEAD							
XMAS TREE							
PACKER, CIBP ETC.							
OTHER MAT. AND EQUIP. -ESP equip							
				TOTAL TANGIBLES		0	0
				TOTAL WELL COST		46,600	46,600
				PRODUCTION EQUIPMENT (Detail Attached)		100.0000%	0
				OTHER COSTS - NET (Detail Attached)		100.0000%	
				Tax		006.5000%	3,029
				Contingency		015.0000%	6,990
				COMPANY COST		56,619	56,619
CO OWNERSHIP							
Project Recommended by: <u>Oscar Nosrati</u>							
COMPANY NAME: Americo Energy							

STATE "9" WELL NO:9

API # 30-025-25570

Lea County, NM.

Spud Date: 7/23/1977

Operator: Atlantic Richfield Company.

Elevation GL, 3799'

KB ele= 21' 3820'

DF

Logs Densilog/ Neutron, 9/11/1977

Xerox copy Copy in file. (No Original.)

Fullwave Sonic/Wavefront plot. 4/12/90.

Epilog, Dressot Atlas 9/14/1977

Formation Evaluation Systems.

Location ::

Unit Letter N:

350' FSL & 1850' FWL

Of Section 2, T-15 S, R 37 E

Lea County, New Mexico.

Operator: 2006

Platinum Exploration Inc.

WellHead 7-1/16 x 5,000#

7/24/1977

13-3/8", 54.5# J-55@361'

cemented w/375 sks. & 2% Cal Chl.

8/8/1977, Total 113 Joints 9-5/8"

9-5/8", 36#, 40# casing @ 4700'

w/ 2850 sx lite & 200 C" Neat.

w/ 5 # Gilsonite, 15 # salt added.

Toc: 8274'

2/22/2006: Platinum Expto. INC,

KB 21.0'

XO 2-7/8" PH6 PinxPin. 0.59'

118- Jts. 2-7/8" PH6 L80 Tbg 3708.45'

XO-2 7/8" PH6x2-7/8" EUE 8rd. 0.65'

234 Jts. 2-7/8" L-80 EUE 8RD. 7599.59'

XO-2 7/8" EUE 8rd x 2 3/8 EUE 0.36'

SN API 2-3/8" EUE 8 RD. 1.10'

#1 Pump ESP TD 1750', 100stgs 17.65'

#2 ESPTD 750, 125 stgs. 21.89'

#3 ESPTD 750, 125 stgs. 21.89'

#4 ESPTD 750, 125 stgs. 21.89'

#5 ESPTD 750, 125 stgs. 21.89'

Seal #1 ESP TR4DBG 5.80'

Intake RGS SN4D5G20410MM 2.65'

#1MTR ESP @ 180 HP 1505, V79A 31.30'

#2MTR ESP @ 180 HP 1505, V79A 31.30'

#2 ESP TR489L 5.25'

3/15/1991: Hondo Oil & Gas

Acidized Devonian Perfs;

11,829' to 11,929', (17 holes)

11,969' to 11,998', (12 holes)

12,035' to 12,150', (17 holes.)

12,188' to 12,235', (11 holes)

1/21/1989:

Hondo Oil & Gas

R/u Gearhart WL. Perf'd

11969', 70, 71, 72, 80, 82, 89, 90, 91,

93, 97, & 11,998'. Devonian "C" Zone.

Acidized w/ 3000 gals 20% CRA Acid+

6,000 gals gelled 10# brine pad in 3 stages.

Dropped 12 balls, flush w/ 69 bbls 2%

KCl & overflush w/100 bbls 2% KCl. ISIP

1640 psia, 15 min 440 psia., MaxP 4900#

Set RBP at 12,084', Test RBP w/ packer at

12,048', load Tubing test RBP to 1,000 psi.

Released packer. Tested tubing. Acidized

w/3000 gals 20% CRA & 6000 gals 10 #/gal

gelled brine. Flushed w/ 169 bbls 2% KCl.

at 3 BPM pressure 2980 to 4500 psig.

Max pressure 4770# ball sealers actions.

Results Reported by Hondo Oil & Gas,

3/23/1989: Potential 121 BOPD, 360 BW/D

& 125 MCFGPD. from(Perfs 11969'-98' &

& 12,188'- 12,235')

Prior to W/O production was 20 BOPD

& 130 BW/D

9/23/1977:

12368' - 97' 12410' & 12412' Atlantic Richf.

11/2/77: CR at 12,298'. Cement squeezed perfs

12368' - 12412' w 200 sx. Sqzdz at 3000 psig

Tested 2% Oil & 16 BWD. FL remained at 5500'

10/7/1977: Squeezed w/200 sx class H"

at 3000 psig squeezed pressure, 93 sx

of cement pumped into perfs. 12,368'- 12412'

Devonian 12330'- 40' by Platinum Exploration Inc.

12330' to 12340' W/ 2 SPF(2/8/2006)

Ran & Set Ret. Packer at 12303'

Acidized Perfs. w/ 62 bbls. 15%

HCL at Avg rate 1.6 BPM. at 1048

psig. Max. pressure to 4300 psig

& 2 BPM. ISIP 1150 psi. 5 min SIP 221 #

8 min. on vacume. Swabbed well Fluid

Level at 2500' & last F.L 5900'

Set CIBP at 12355' (2/6/2006)

9/14/1977 Tested 5-1/2" Csg; at 1500 psig

5-1/2" x 17 #, 15.8# Casing set at 12,797'

7-7/8" hole cemented w/ 965 Sx. Top of

Cement behind Casing unknown.

D.V Tool ran & set 9510'

cement w/355 sks.

Primary cement job.

Pump # 1 SN 2F4J 17941M

2 SN 2F5J1155P

3 SN 2F5I19130

4 SN 2F8A31728P

5 SN 2F8A31838P

#1 SN 1F4K23791P

#2 SN 1F4K23702P

Seal #1 SN3F5D369821P

SN3F3E44994M

Intake at 11,439.60'

Bottom of pump at 11,513.05'

4/30/1990: Hondo Oil & Gas

Halliburton RU & perf'd 5-1/2" Casing,

Devonian perfs.; JHPF total of 17 holes

11829'- 30', 64', 65', 66', 80', 82', 87', 88',

11902', 09, 10, 20, 25, 26, 27, & 11929'

Note: RBP set at 11,965' & Ret. Packer set

at 11,742' then acidized perfs 11829'- 11 929'

Acidized w/12,000 gals 20% CRA &

14,000 gelled 10 # brine using 24 counts

1.3 SG ball sealers at 3.3 to 5.2 BPM

ISIP1900 #. max press. 3600 psi (5/1/90)

4/25/ 1990: Devonainn Perfs; 17 holes

12036'- 38, 41, 56, 68, 74, 75, 87, 12,103',

12,106, 109, 113, 130, 135, 140, 148, & 12,150'

10/11/1977:

Welex Perforated 11' as follows:

12188', 90', 92, 94, 98, 12204', 06, 07, 32,

12234' & 12236', 1 JSPF(11 holes)

Acidized w/ 250 gals 15% HCl & 2000 gal

28% NEA. Ran Kobe pump, 260 BO/D &

211 mcf gas/d & GOR 812 (Atlantic Richfield)

and 31 BWPD, Potential Test. November 1977

9/21/1977:

Welex. Top of cement behind csg at 8274'

9/22/1977: Welex perforated 12,368', 70',

72', 83', 85', 97', 12410', & 12,412'

Ran Baker 5-1/2" model R Packer to 8857'

unable to get below 8857', POH Packer

9/26/1977: RIH 5-1/2" Baker model R & 4-1/2"

gauge Ring on 2-7/8" Tubing to 12412'

Acidized perfs 12,368' to 12412' w/ 250 gals

15% HCl at 2600 psig. ISIP 1600 #, 3 min

0 psig.

Swabbed Dev Perfs, 60 BW, No Oil, or Gas

IFL at 3000', FL at 5000', produced 34 bw.

10/11/2007

H.Dashtl 2/6/2006

3/2/2006 Set CIBP at 12355'

PBTD

TD

Sept 1977: 12,355'

Drillers TD:= 12,800' TD, 12797'