

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-42140	Pool Code 91929	Pool Name WC-025 G-06 52133230; Bone Spring
Property Code 313264	Property Name WOOL HEAD "20" STATE	Well Number 1H
OGRID No. 785	Operator Name AMTEX ENERGY, INC.	Elevation 3749.2'

Surface Location

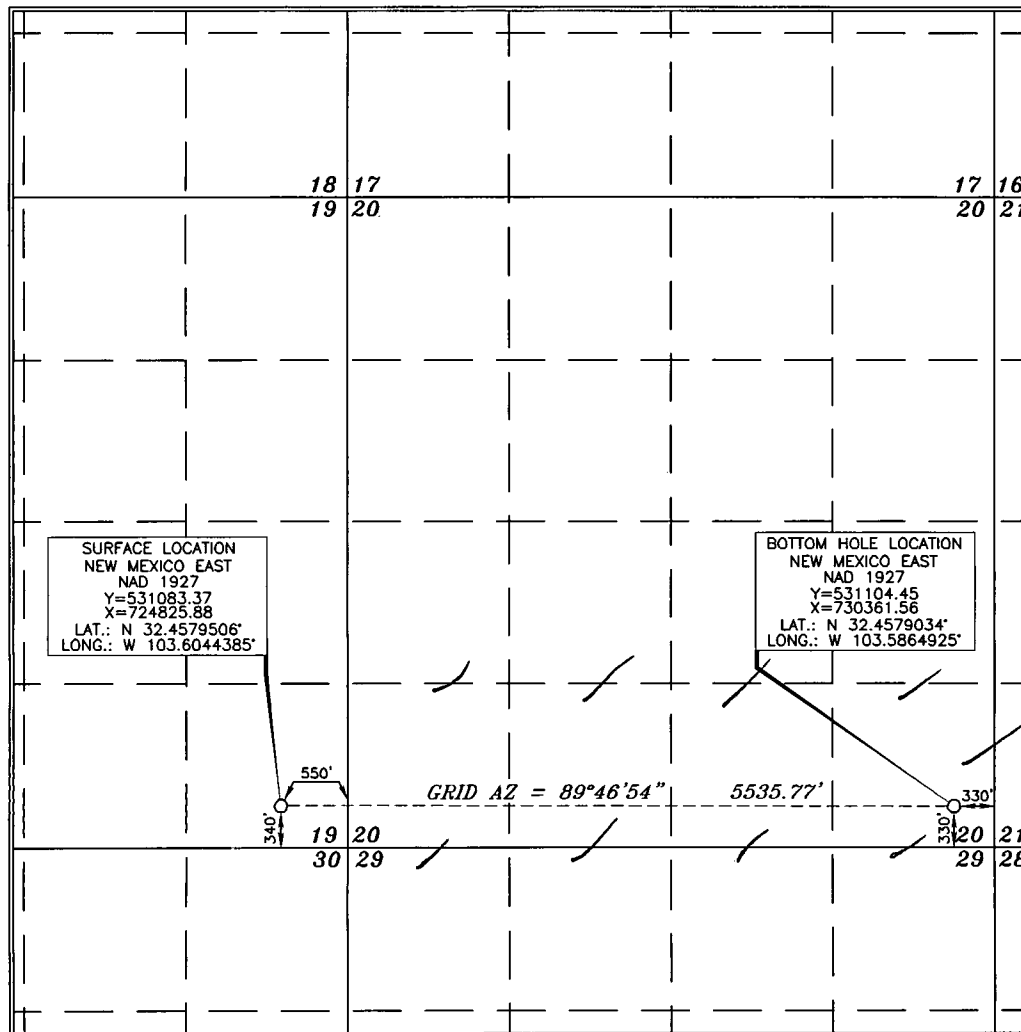
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	21 SOUTH	33 EAST, N.M.P.M.		340'	SOUTH	550'	EAST	LEA

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
P	20	21 SOUTH	33 EAST, N.M.P.M.		330'	SOUTH	330'	EAST	LEA

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.



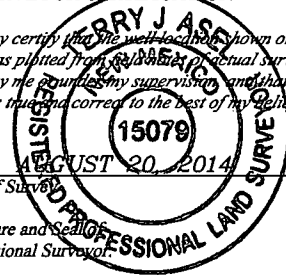
OPERATOR CERTIFICATION

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 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.

William J. Savage
Signature Date
William J. Savage
Printed Name
wsavage@amtexenergy.com
E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from the best of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.



Date of Survey
Signature and Seal of Professional Surveyor
Terry J. Asch
Certificate Number 15079

WO# 140520WL-b (KA)

SEP 25 2014

Kautz, Paul, EMNRD

From: Katie Keller <katiek@intrepidpotash.com>
Sent: Wednesday, September 24, 2014 4:10 PM
To: Rutley, James
Cc: Mull, Donna, EMNRD; Kautz, Paul, EMNRD
Subject: FW: POTASH response letter.
Attachments: AMTEX Potash Response Letter for BLM & STL; Sept. 8 2014.doc1.doc

Jim,

Intrepid Potash does not have an objection to the Amtex Energy, Inc. location as set forth per the attached notice. The location of the well does not impact our leases or reserves.

Thank you for running this by Intrepid for review.

Best regards,

From: Rutley, James [<mailto:jrutley@blm.gov>]
Sent: Wednesday, September 24, 2014 3:46 PM
To: Katie Keller
Subject: Fwd: POTASH response letter.

James S. Rutley
Geologist
Carlsbad Field Office
Bureau of Land Management
(575) 234-5904

"Don't join an easy crowd; you won't grow. Go where the expectations and the demands to perform are high." -- Jim Rohn

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----- Forwarded message -----

From: Mull, Donna, EMNRD <donna.mull@state.nm.us>
Date: Mon, Sep 8, 2014 at 10:28 AM
Subject: POTASH response letter.
To: "Rutley, James S" <JRutley@blm.gov>, "Hubbling, Jessica" <jhubbling@blm.gov>, "Wust, Stephen L." <swust@slo.state.nm.us>

Please respond. Thanks

Donna Mull

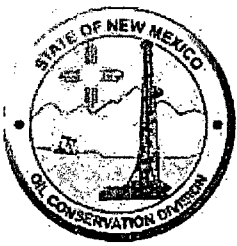
Line Manager – EMNRD OCD

1625 N. French Dr.

Hobbs, NM 88240

(575)393-6161 xtn. 115

donna.mull@state.nm.us



BLM approves federal wells in potash area so we do not have to worry about this.

STATE & FEE LEASES

Post to map and if within the potash area outlined on map or within 1 mile of that area do the following:

- 1) Make certain operator has filed a plat of the area showing the potash lessees for the area where the well is located as well as the 1-mile radius referred to.
- 2) Make certain operator has notified all of the potash lessees by certified mail of the APD. They must send copy of delivery notice to us since 20-day waiting period starts from delivery date.
- 3) Send letter to BLM and SLO advising them of this APD and request they advise if this location is within LMR or buffer zone.

BUFFER ZONE -- shallow well is 1/4 mile of LMR
-- deep well is 1/2 mile of LMR

- 4) If application is within LMR or buffer zone you must DENY it under R-111-P unless, there is a mutual agreement of lessor and lessees of oil & gas and potash interests. Copy of this agreement must be submitted with APD.
- 5) If application is outside LMR or buffer zone and no objection is received within 20 days from date of receipt by potash lessees of certified notice, the APD may be approved.

CHECK LIST FOR PROCESSING APD IN POTASH AREA

OPERATOR: Amtex Energy Inc

LEASE & WELL Wool Head 20 State #001H

LOCATION P-19-213-332, 340/S & 550/E PROPOSED DEPTH 15650'

DATE APD RECEIVED 9/05/2014 WAS PLAT OF AREA ATTACHED _____

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? _____

20-DAY WAITING PERIOD BEGINS _____ ENDS _____

WERE WAIVERS RECEIVED? Yes

DATE SLO NOTIFIED 9/08/2014 DATE REPLY RECEIVED 9/16/14

DATE BLM NOTIFIED 9/08/2014 DATE REPLY RECEIVED 9/9/14

IS LOCATION INSIDE LMR OR BUFFER ZONE? _____ YES _____ NO _____

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED _____

DATE APD APPROVED 9/25/2014 DATE APD DENIED _____

30-025-42140

**AMTEX**

Lee Jirik <LeeJ@intrepidpotash.com>

To: "Rutley, James" <jrutley@blm.gov>

Cc: Katie Keller <katiek@intrepidpotash.com>

Thu, Sep 11, 2014 at 2:07 PM

Jim,

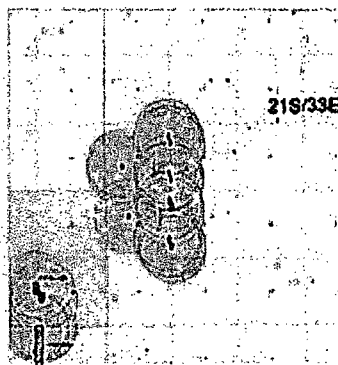
I think you need some more time off or you're going to be in a rubber room soon. And speaking of bouncing around, this email is going to cover a couple of topics that have come up with your recent emails.

I've attached my own sketch of what I think you described in your "short" story about the DIs in 21S-33E. In my drawing, the maroon-colored circles represent the ½ mile impacts from the islands. The yellow shading represents the east expansion leases. The blue-colored islands are from what I believe is your latest proposal for DIs in the neighborhood.

Based on the premise that I'm understanding your proposal correctly, I have no objections to the DIs in 21S-33E. As you can see, they don't impact our East Expansion Leases, and that's our main concern.

Good Afternoon Katie and Lee,

[Quoted text hidden]



Rutley 21S-33E Ideas.jpg
2041K

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Sept 8, 2014

BUREAU OF LAND MANAGEMENT
ATT: Jim Rutley
P O Box 1778
Carlsbad, NM 88221

State Land Office
ATT: Stephen Wust
P O Box 1148
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Amtex Energy Inc

LEASE NAME Wool Head 20 State #001H

PROPOSED LOCATION P-19-21s-33e, 340/S & 550/E

BHL @ P-20-21s-33e, 330/S & 330/E

PROPOSED DEPTH 15650' Bone Spring

Gentlemen:

The application for permit to drill identified above has been filed with this office of the new Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether the location is within an established Life-or-Mine Reserve are filed with an approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Maxey Brown
Maxey Brown
OCD District I, Supervisor

Response:

The above reference location is in the LMR 2014 year) ----- Yes ☒ NO ☐

The above reference location is within the Buffer Zone ----- Yes ☒ No ☐

Signed ----- Date 09/09/2014

Printed Signature JAMES S. RUTLEY

Representing US · DOI · BLM · NM · CFB · SORIOS · RUTLEY

HOBBS OCD

SEP 16 2014

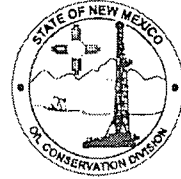
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Sept 8, 2014

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Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Maxey Brown

Maxey Brown
OCD District I, Supervisor

Response:

The above reference location is in the LMR (2013 year)-----Yes ☒ NO ☐ SDW

The above reference location is within the Buffer Zone -----Yes ☐ No ☐

Signed Terry G. Warnell Date 9-16-14

Printed Signature Terry G. Warnell

Representing WMSLO