

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



February 17, 2015

Amtex Energy, Inc.
Attn: Mr. William Savage

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7233
Administrative Application Reference No. pMAM1504841637

Amtex Energy, Inc.
OGRID 785
Dagger State Unit Well No. 3
API No. 30-025-36595

Proposed Location:

<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
1902` FSL & 1405` FWL	K	19	21S	33E	Lea

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NE/4 SW/4 of Section 19	40	WC-025 G-10 S213328O;Wolfcamp	98033

Reference is made to your application received on February 17, 2015.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

It is our understanding that you are seeking this unorthodox location because it is a re-entry into the Wolfcamp zone, which is the same zone it has completed and produces on trend to the south.

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Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on February 17, 2015

A handwritten signature in cursive script, reading "David R. Catanach", written in black ink.

DAVID R. CATANACH

Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals