

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

- NSL 74162
 - Amtex Energy, Inc
 785
 WLL
 DAggen State Com
 #504H
 30-025-43302
 Pool
 - WL-02SG-06

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

S213326D;
 Bone Springs
 97929

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Tate F. Savage Print or Type Name	<u>Tate F. Savage</u> Signature	Business Development/Land Manager Title	8/25/16 Date
		Tate.Savage@AmtexEnergy.com e-mail Address	

Lowe, Leonard, EMNRD

From: Tate Savage <tate.savage@amtenergy.com>
Sent: Thursday, September 29, 2016 3:51 PM
To: Lowe, Leonard, EMNRD
Subject: FW: Unorthodox Well Application submitted and Notice sent
Attachments: NSL letter&attach sent to NMOCD.pdf

Leonard,

Per our conversation today, it appears there is a small typo in the Application for Unorthodox Well Location letter dated August 25, 2016 that I sent in about a month ago. The header of the letter indicated that the BHL will be 330' FNL, but I intended it to say the BHL will be 50' FNL. To reiterate the correction, the header should read as follows:

RE: Application for Unorthodox Well Location
Dagger State COM Well No. 504H (DSC 504H) (API: 30-025-43302)
Unit H, SHL: 2610' FNL x 560' FEL, Sec. 30, T21S, R33E
Proposed First Perf: 1920' FNL x 560' FEL, Sec. 30, T21S, R33E
Unit A, BHL: 50' FNL x 560' FEL, Sec. 19, T21S, R33E
Proposed Last Perf: 100' FNL x 560' FEL, Sec. 19, T21S, R33E
Lea County, New Mexico

Please let me know if you need anything else from me to approve this application. Thank you,

Tate F. Savage, RPL
Business Development/Land Manager
Amtex Energy, Inc.
Tate.Savage@AmtexEnergy.com
Midland Office: 432-686-0847
Mobile: 817-706-5174

From: Tate Savage [mailto:tate.savage@amtenergy.com]
Sent: Monday, August 29, 2016 6:08 PM
To: 'Leonard.Lowe@state.nm.us' <Leonard.Lowe@state.nm.us>
Subject: Unorthodox Well Application submitted and Notice sent

Mr. Lowe,

The attached letter is scheduled to arrive at your office set to your attention tomorrow. Amtex is seeking an unorthodox well location and has sent the necessary notices. I plan to call you tomorrow to discuss what the next steps are to gain approval of this 100' offset. We would like to have that approval by the end of this week if possible.

Thank you and I'll hopefully talk with you tomorrow.

Tate F. Savage, RPL
Business Development/Land Manager
Amtex Energy, Inc.
Tate.Savage@AmtexEnergy.com
Midland Office: 432-686-0847
Mobile: 817-706-5174

P. O. Box 3418
MIDLAND, TX 79702
432/770-0913 CELL
432/686-0847
888/789.5245 FAX



AMTEX ENERGY, INC.

August 25, 2016

Certified Mail – Return Receipt Requested:

*USPS Priority Mail Express Tracking#:
EK 454494305 US*

To: New Mexico State Land Office
Attn: Mr. Terry Warnell
310 Old Santa Fe Trail
Santa Fe, NM 87501

RE: Application for Unorthodox Well Location
Dagger State COM Well No. 504H (DSC 504H) (API: 30-025-43302)
Unit H, SHL: 2610' FNL x 560' FEL, Sec. 30, T21S, R33E
Proposed First Perf: 1920' FNL x 560' FEL, Sec. 30, T21S, R33E
Unit A, BHL: 330' FNL x 560' FEL, Sec. 19, T21S, R33E
Proposed Last Perf: 100' FNL x 560' FEL, Sec. 19, T21S, R33E
Lea County, New Mexico

Mr. Warnell:

Attached is a copy of Amtex Energy, Inc. ("Amtex")'s Application for Unorthodox Well Location for the Dagger State COM Well No. 504H located in Section 30 and 19, T21S R33E, Lea County, NM. You are being sent this Application per NMOCD's requirement to notify the operator or unleased mineral owner of the offset affected acreage. If you have any objection to this Application, notification should be given to the OCD within 20 days of receipt of this letter.

Amtex is seeking approval of the unorthodox location, which will allow for the efficient recovery of reserves thereby preventing waste and improving well performance.

Should you have any questions, please contact me at 817-706-5174 or by email at tate.savage@amtenergy.com.

Regards,

Amtex Energy, Inc.

A handwritten signature in cursive script that reads "Tate F. Savage".

Tate F. Savage, RPL
Business Development/Land Manager

TFS/

Enclosures: Form C-102, Unorthodox Well Application Letter sent to NMOCD, Administrative Application Checklist, & Impacted Tract PLAT

P. O. Box 3418
MIDLAND, TX 79702
432/770-0913 CELL
432/686-0847
888/789.5245 FAX



AMTEX ENERGY, INC.

August 25, 2016

Certified Mail

New Mexico Oil Conservation Division
Attention: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, NM 87505

RE: Application for Unorthodox Well Location
Dagger State COM Well No. 504H (DSC 504H) (API: 30-025-43302)
Unit H, SHL: 2610' FNL x 560' FEL, Sec. 30, T21S, R33E
Proposed First Perf: 1920' FNL x 560' FEL, Sec. 30, T21S, R33E
Unit A, BHL: 330' FNL x 560' FEL, Sec. 19, T21S, R33E
Proposed Last Perf: 100' FNL x 560' FEL, Sec. 19, T21S, R33E
Lea County, New Mexico

Mr. Lowe:

Pursuant to Division Rule 19.15.15.13, Amtex Energy, Inc. ("Amtex") respectfully requests administrative approval of an unorthodox oil well location for its Dagger State COM 504H well. The producing interval of this well does not meet the 330' from the outer boundary of the producing area requirement. Attached is a Form C-102 showing the project area and the producing area of this well.

Amtex is seeking approval of the unorthodox well location in order to maximize recovery of reserves. The New Mexico Oil Conservation Division's approval of the unorthodox completed interval for the DSC 504H will allow for efficient recovery of reserves thereby preventing waste and improving well performance.

The affected offset tracts are the SESE of Section 18, T21S, R33E. Please be advised that these minerals are unleased and are owned by the State of New Mexico. A notice letter of this application has been sent by certified mail this date to the offset operators advising them that if they object to Amtex's application, they must file a written objection with the Division within twenty (20) days from the date the Division received this application.

Thank you for your consideration of this application. Should you have any questions, please contact me at 817-706-5174 or by email at tate.savage@amtenergy.com.

Regards,

Amtex Energy, Inc.

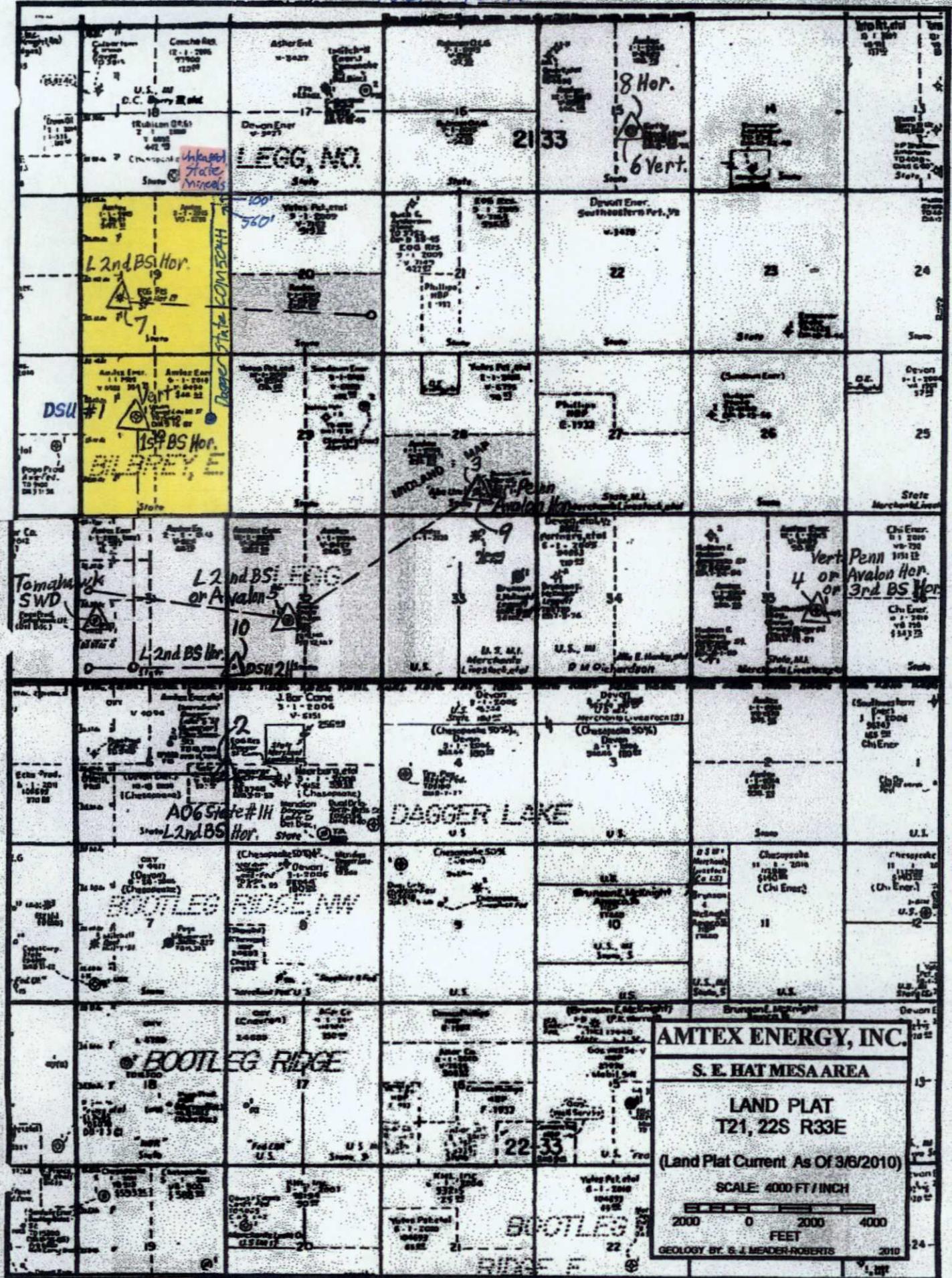
A handwritten signature in black ink that reads "Tate F. Savage". The signature is written in a cursive, flowing style.

Tate F. Savage, RPL
Business Development/Land Manager

TFS/

Enclosures: Administrative Application Checklist, Form C-102, Notice Letter sent to offset Party (SLO), & Impacted Tract PLAT

Unorthodox Well Location: Impacted Tract PLAT



Offset Impacted Tract

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, October 4, 2016 12:14 PM
To: 'Tate Savage'
Cc: Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; Holm, Anchor E.; Martin, Ed
Subject: NSL-7462_Dagger State Com Well No. 504H_30/19 21S 33E
Importance: High

Mr. Tate F. Savage

The following permit has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

NSL-7462

Amtex Energy, Inc.
API #: 30-025-43302
WELL: Dagger State Com Well No. 504H

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>