

8/29/2016 DATE IN	SUSPENSE	LNZL ENGINEER	8/29/2016 LOGGED IN	NSL TYPE	PMAM1629258912 APP NO.
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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 CORP  
#504H

30-025-43302

Pool

- WL-02SG-06

S213326D;  
Bine Springs  
97929

**[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

**[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

Tate F. Savage  
Signature

Business Development/Land Manager  
Title

8/25/16  
Date

Tate.Savage@AmteXEnergy.com  
e-mail Address

## **Lowe, Leonard, EMNRD**

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**From:** Tate Savage <tate.savage@amtexenergy.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](mailto:Tate.Savage@AmtexEnergy.com)  
Midland Office: 432-686-0847  
Mobile: 817-706-5174

**From:** Tate Savage [mailto:tate.savage@amtexenergy.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](mailto: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@amtexenergy.com](mailto:tate.savage@amtexenergy.com).

Regards,

**Amtex Energy, Inc.**

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

District I  
1423 N. Trench Dr., Hobbs, NM 88240  
Phone: (505) 393-4161 Fax: (505) 393-0720  
District II  
711 S. First St., Azusa, NM 88210  
Phone: (505) 748-1261 Fax: (505) 748-0720  
District III  
1500 Rio Grande Road, Aztec, NM 87410  
Phone: (505) 334-4174 Fax: (505) 334-4170  
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  
OCD - HOBBS 1220 South St. Francis Dr.  
08/29/2016 Santa Fe, NM 87505

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

☒ AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-43302</b>	Pool Code <b>97927</b>	Pool Name <b>Bone Spring</b>	Well Number <b>WC-025 G-06 S213326D;BONE</b>
Property Code <b>316337</b>	Property Name <b>DAGGER STATE COM</b>	Well Number <b>504H</b>	
OGRID No. <b>000785</b>	Operator Name <b>AMTEX ENERGY, INC.</b>	Elevation <b>3783.8'</b>	

Surface Location

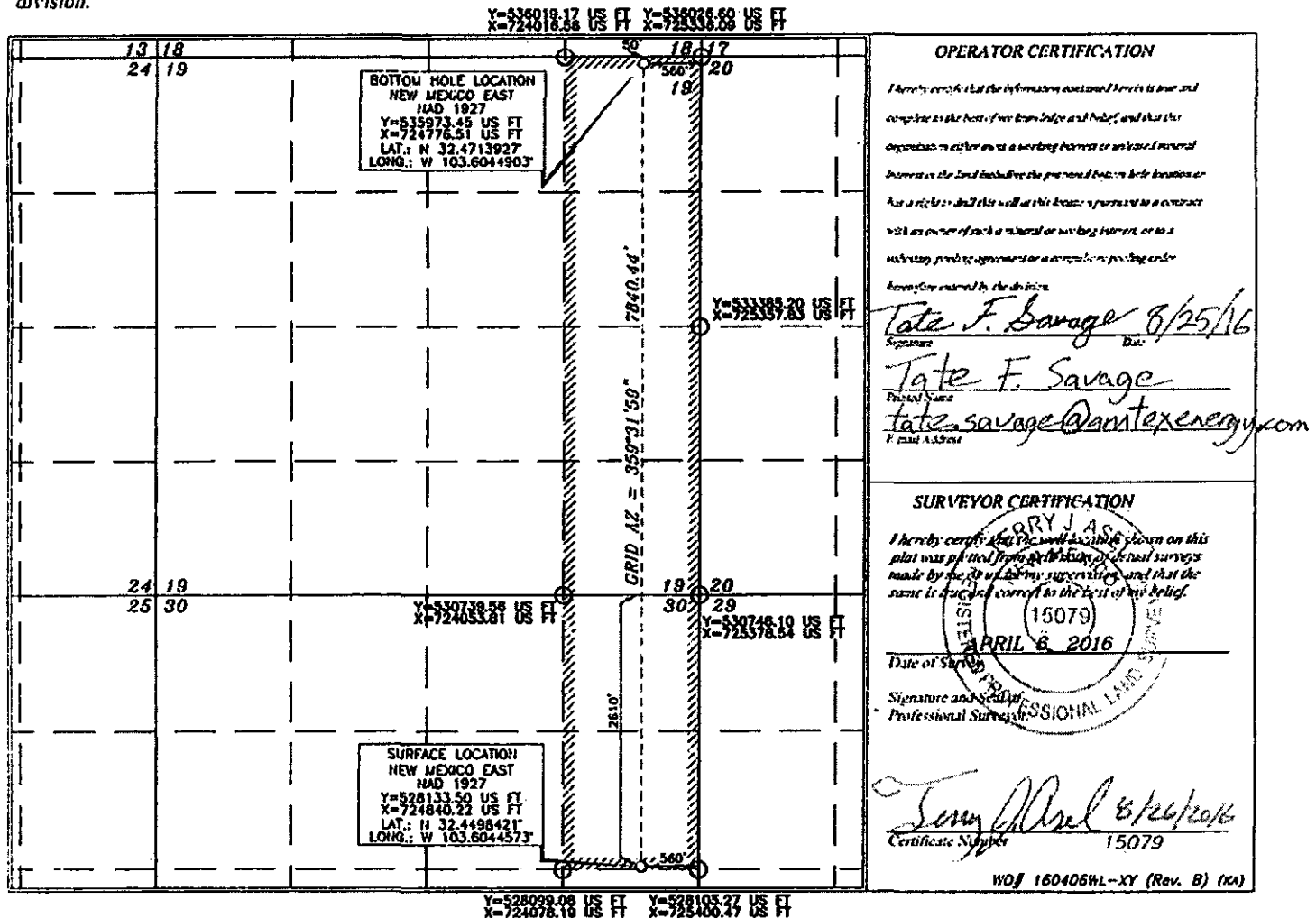
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North-South line	Feet from the	East-West line	County
H	30	21 SOUTH	33 EAST, N.M.P.M.		2610'	NORTH	560'	EAST	LEA

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
A	19	21 SOUTH	33 EAST, N.M.P.M.		60'	NORTH	560'	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

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. 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@amtexenergy.com](mailto:tate.savage@amtexenergy.com).

Regards,

Amtex Energy, Inc.

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

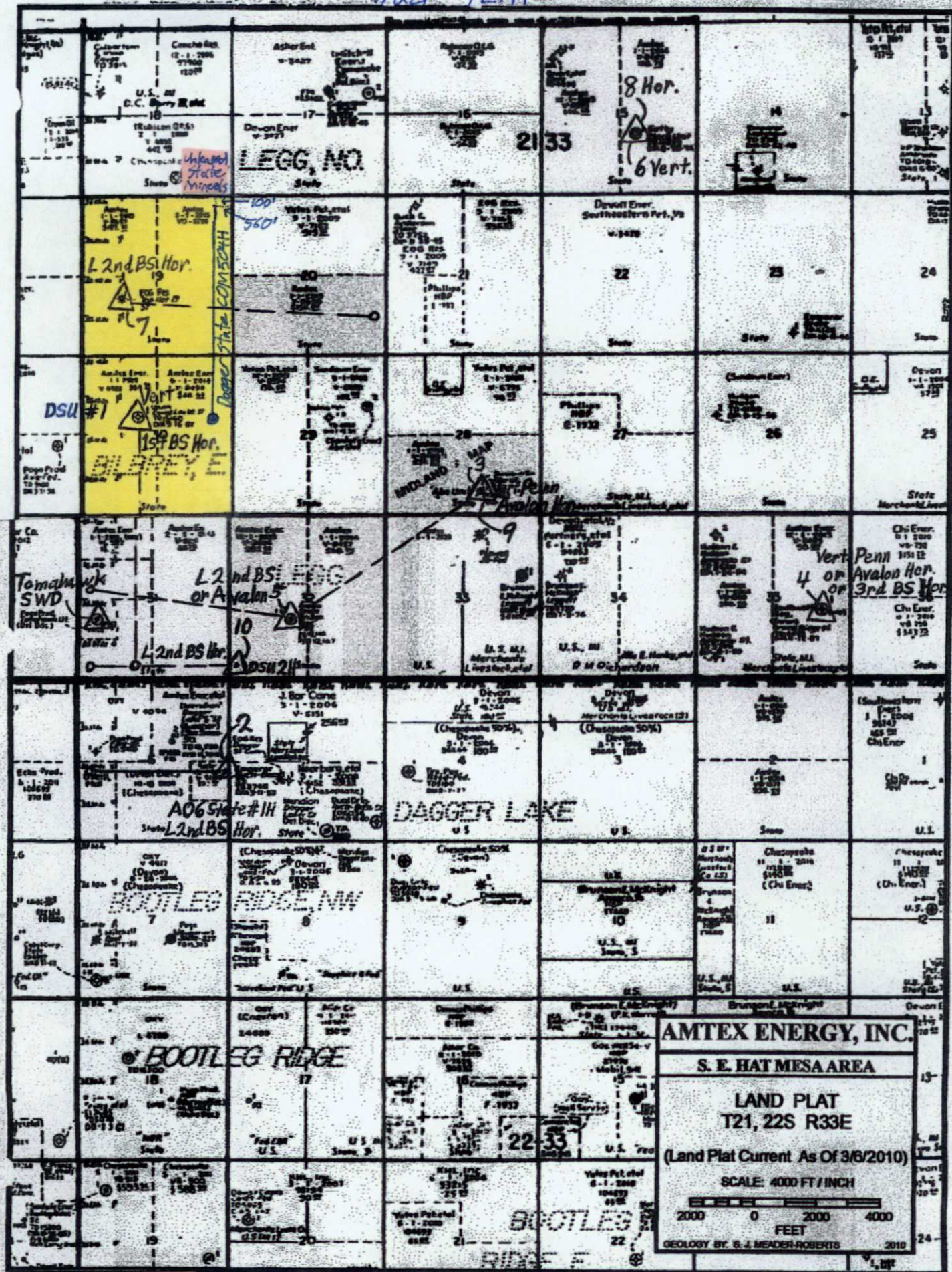
Tate F. Savage, RPL  
Business Development/Land Manager

TFS/

Enclosures: 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**

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**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](mailto:leonard.lowe@state.nm.us)  
Website: <http://www.emnrd.state.nm.us/ocd/>