

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

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

Form C-103
 May 27, 2004

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)		WELL API NO. 30-025-05179 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Injection Well		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> BLM <input type="checkbox"/>
2. Name of Operator Americo Energy Resources, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 7575 San Felipe, Suite 200, Houston, TX 77063		7. Lease Name or Unit Agreement Name B.C. Dickinson D ✓
4. Well Location Unit Letter <u>C</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>35</u> Township <u>14S</u> Range <u>37E</u> NMPM. County <u>Lea</u>		8. Well Number # 5 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) KB 3833		9. OGRID Number 228051 ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Denton (Devonian) ✓
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 _____		

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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) MIRUWOR, n/d wellhead, n/u bop, pooh w/ 360 jts 2 7/8" tbing ,rih w/ bit & csg scrapper to 12,100', pooh w/ 2 7/8" L/d scrapper & bit.
- 2) run gauge ring to 12,100, pooh, rih and set CIBP at 12,100', pooh run bailer & dump 20' cmt on top of CIBP. r/d wire line trk.
- 3) load w/ pkr fluid & test csg to 500 psi for 30 min-if good n/d bop, n/u wellhead pressure test csg to 500 psi for OCD T/A status, RDWOR

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart

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 Ehsan Bayat TITLE Regulatory Analyst DATE 10-1-08
 Type or print name: Ehsan Bayat E-mail address: ehsan.bayat@americoenergy.com Telephone No. 713-984-9700

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 03 2008
 Conditions of Approval (if any):

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 14189..... Exhibit No. 3
 Submitted by:
 Americo Energy Resources, LLC
 Hearing Date: October 30, 2008

Submit 3 Copies To Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources

Form C-103 May 27, 2004

District I 1625 N. French Blvd., Albuquerque, NM 87102
District II 1301 W. Grand Ave., Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87404
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED SEP 29 2008 HOBBS, NM

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

WELL API NO. 30-025-05222
5. Indicate Type of Lease STATE [] FEE [x] BLM []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name B.C. Dickinson A1
8. Well Number # 1
9. OGRID Number 228051
10. Pool name or Wildcat Denton (Wolfcamp)

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 [x] Gas Well [] Other - Injection Well []

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 L : 1980 feet from the South line and 660 feet from the West line Section I Township 15S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3820' Drive Bushing

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

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 [x] 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: []

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) Miru wor, n/d wellhead n/u bop, poh w/ 91 jts 2 7/8" tbing, rih w/ gauge ring to top of perf's @ 9350' poh w/ gauge ring
2) Rih w/ bailer & dump 25'+cmt 9300'-9275'' sdon
3) Rih w/ wire line tag top of cmt-if top of cmt at 9275'
4) r/d wire line trk, load csg and pressure test to 500 psi for 30 min
5) if test is good, rih w/ 2 7/8" tbing poh laying down n/d bop, n/u well head, run chart test to 500 psi, For 30 min for OCD T/A status. Rdwor

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart

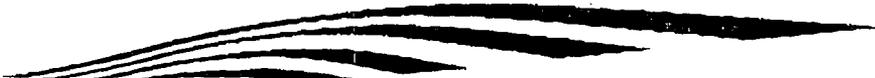
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan [].

SIGNATURE Ehsan Bayat TITLE Regulatory Analyst DATE 9-26-08
Type or print name: Ehsan Bayat E-mail address: ehsan.bayat@americoenergy.com Telephone No. 713-984-9700

For State Use Only

OCD FIELD REPRESENTATIVE / STAFF MANAGER

APPROVED BY: [Signature] TITLE DATE 9 26 2008
Conditions of Approval (if any):


New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 6, 2008

Mr. Oscar Nosrati;

This letter is to notify you that the attached C-103 requesting T/A status for the B.C. Dickinson A1 #2 well API # 30-025-09868 has been denied.

This well was required to have had remedial work performed on or prior to 1-23-2007 by District 1 supervisor Chris Williams. No work has been reported since that time.

This well has a cement top 1100' below top of fish. The top of fish is 5000' above the production zone. We have no way of knowing casing integrity below 7000'.

Therefore, you are hereby ordered to begin work to repair or plug this well no later than November 6, 2008.

Failure to comply will result in this matter being sent to legal staff.

If you need further help, please feel free to contact me at 575-393-6161 ext. 114.

Sincerely;

A handwritten signature in cursive script that reads "L.W. Hill".

L.W. "Buddy" Hill



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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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Form C-103
May 27, 2004

RECEIVED
SEP 29 2008
HOBBS, NM

WELL API NO. 30-025-09868
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> BLM <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name B.C. Dickinson A1
8. Well Number # 2
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 ~~Injection Well~~

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 L : 2240 feet from the South line and 400 feet from the West line
Section 1 Township 15S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3808' GL

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 _____

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- OTHER:
- ALTERING CASING
- P AND A

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.

In 2006, top of the fish was tagged @ 7055'. the est.'d top of cmt behind the 7" csg is at 8100'.
MIRUWOR, RIH W/ 2 7/8" tbing to 7,005' spot 25' of cmt, poh w/ tbing
R/U wire line trk, rih & tag top of cmt, poh. R/d wire line trk, rih w/ 2 7/8" tbing circ hole w/ 2% kcl water. Pressure test to 500 psi for 30 min's if good, POH w/ tbing laying down. RDWOR. Set up H-15.

DENIED

Remedial Work to begin by 11-6-08

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart

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 NMOC guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Ehsan Bayat TITLE Regulatory Analyst DATE 9-26-08
Type or print name: Ehsan Bayat e-mail address: ehsan.bayat@americenergy.com Telephone No. 713-984-9700

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APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

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State of New Mexico
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 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
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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.)		WELL API NO. 30-025-09868
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other - Injection Well <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> BLM <input type="checkbox"/>
2. Name of Operator Americo Energy Resources, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 7575 San Felipe, Suite 200, Houston, TX 77063		7. Lease Name or Unit Agreement Name B.C. Dickinson A1
4. Well Location Unit Letter <u>L</u> : <u>2240</u> feet from the <u>South</u> line and <u>400</u> feet from the <u>West</u> line Section <u>1</u> Township <u>15S</u> Range <u>37E</u> NMPM County <u>Lea</u>		8. Well Number # 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3808' GL		9. OGRID Number 228051
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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 _____		

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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.

Americo plans to attempt to remove the fish and clean the wellbore as deep as possible. Then plans to T/A the well at this time.

1. Notify OCD.
2. Move in rig and rig up.
3. Attempt fishing the sub-pump.
4. Clean well bore to as deep as possible.
5. Place CIBP and 20' cement cap as deep as possible.
6. Check casing mechanical integrity.
7. Squeeze off holes and drill cement and conduct pressure integrity test.
8. Report the results.
9. Clean up the location.

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 Ehsan Bayat TITLE Regulatory Analyst DATE 10-24-08
 Type or print name: Ehsan Bayat E-mail address: ehsan.bayat@americobenergy.com Telephone No. 713-984-9700
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Prepared by:		Oscar Nosrati		DATE ISSUED	10/28/2008	DATE AFE TO CLOSE	PAGE
AUTHORIZATION FOR EXPENDITURE - WELLS							
AFE NO	TYPE	AFE NAME			BC Dickinson A1 no. 2		
COMPANY				DIVISION		OPERATOR	
Americo Energy						Americo Energy	
DISTRICT / ORG				DISTRICT / SUB		COUNTRY	
NEW MEXICO FIELD						U.S.A.	
STATE		COUNTY OR PARISH			TAX DISTRICT		
Texas		NEW MEXICO STATE					
FIELD OR AREA				PRIMARY RESERVOIR		SECONDARY RESERVOIR	
DENTON FIELD							
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	PLAT	PROJECT DAYS	PROJ GROUP	Est Depth TD	Est Depth TVD
ENVIRONMENTAL COST							
INTANGIBLES							
SALARIES & WAGES Supervisor 15 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, FRAQS, 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							
15 days at \$5000 a day							
TOTAL							
FLOAT EQUIPMENT & CEMENTING AIDS							
BITS & SCRAPER							
SPECIALTY WELL SERVIC							
LABOR, supervisor 15 days \$1400 a day							
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							
TESTING TUBING IN THE HOLE							
WIRE LINE TX-run guage ring set CIBP, dump 25' cmt							
pmp trk load casing w/ pkr fluid & run T/A test for OCD							
TOTAL INTANGIBLES							
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							
TOTAL WELL COST							
100.0000%							
233,000							
233,000							
PRODUCTION EQUIPMENT (Detail Attached)							
100.0000%							
0							
OTHER COSTS - NET (Detail Attached)							
100.0000%							
Tax							
005.5000%							
15,145							
15,145							
Contingency							
015.0000%							
34,950							
34,950							
CO OWNERSHIP							
COMPANY COST							
283,095							
283,095							
Project Recommended by: Oscar Nosrati							
COMPANY NAME: Americo Energy							