

Michael H. Feldewert Recognized Specialist in the Area of Natural Resources - oil and gas law - New Mexico Board of Legal Specialization mfeldewert@hollandhart.com

April 30, 2013

VIA HAND DELIVERY

Ms. Jami Bailey, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Case 14988

Re: Application of Amtex Energy, Inc. for approval of a unit agreement, Lea County, New Mexico.

Dear Ms. Bailey:

Enclosed in triplicate is the Application of Amtex Energy, Inc. in the above-referenced case as well as a copy of the legal advertisement. Amtex requests that this matter be placed on the May 30, 2013, Examiner Hearing docket.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR AMTEX ENERGY, INC.

cc: Mr. William J. Savage, Amtex Energy, Inc.

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF AMTEX ENERGY, INC. FOR APPROVAL OF A UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 14988

AMENDED APPLICATION

AMTEX ENERGY, INC. ("AMETX")(OGRID 785), through its undersigned attorneys, hereby files this Amended Application for an order approving its Merchants State Unit and in support of this application states:

1. The proposed Unit Area consists of 1280.12 acres, more or less, of State of New Mexico lands situated in Lea County, New Mexico. The horizontal limits of said unit are described as follows:

All of Section 25, Township 21 South, Range 33 East, NMPM
All of Section 2, Township 22 South, Range 33 East, NMPM

- 2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.
- 3. The Applicant, Amtex Energy, Inc., is the designated Operator under the Unit Agreement and the unitized area includes from the top of the Bone Spring formation to the top of the Strawn formation.

4. Management and operation of the Unit Area under the terms of the Unit Agreement are in the interest of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Amtex Energy, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 30, 2013, and that following hearing the Merchants State Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

sy:____

Michael H. Feldewert Adam G. Rankin

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Telephone: (505) 988-4421

ATTORNEYS FOR AMTEX ENERGY, INC.

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF AMTEX ENERGY, INC. FOR APPROVAL OF A UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. _/4988 & CH

APPLICATION

AMTEX ENERGY, INC. ("AMETX")(OGRID 785), through its undersigned attorneys, hereby makes application for an order approving its Merchants State Exploratory Unit and in support of this application states:

1. The proposed Unit Area consists of 1280.12 acres, more or less, of State of New Mexico lands, situated in Lea County, New Mexico. The horizontal limits of said unit are described as follows:

Township South, Range East, N.M.P.M.

Section: 35 All Section: 2 All

- 2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.
- 3. The Applicant, Amtex Energy, Inc., is designated Operator under the Unit Agreement and the unitized area includes from the top of the Bone Spring formation to the top of the Strawn formation.

4. Management and operation of the Unit Area under the terms of the Unit Agreement are in the interest of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Amtex Energy, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 30, 2013, and that following hearing the Merchants State Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert

Adam G. Rankin Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR AMTEX ENERGY, INC.

CASE NO. 14988

Application of Amtex Energy, Inc. for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Merchants State Unit comprised of 1280.12 acres of State of New Mexico lands in Section 35 in Township 21 South, Range 33 East, NMPM, Lea County, and Section 2 in Township 22 South, Range 33 East, NMPM, Lea County. The unitized area includes from the top of the Bone Spring formation to the top of the Strawn formation. This area is located approximately 21 miles west of Eunice, New Mexico.