

# **Americo**

## **Energy Resources, LLC**

2006 NOV 20 PM 1 31

Mr. Daniel Sanchez  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

November 10, 2006

Re: Inactive Well Agreed Compliance Order 70-A (ACOI-70-A)

Dear Mr. Sanchez,

In continuance of our telephone conversation of November 8, 2006 and in reply to your letter of October 16, 2006, this letter attempts to further explain Americo Energy Resources, LLC's ("Americo") good-faith attempts to fully comply with the referenced order.

In November of 2005, Americo entered into an agreement with Platinum Exploration, Inc. ("Platinum") whereby Platinum purchased an undivided 50% of Americo's interest in certain oil and gas leases, subject to certain depth restrictions, located in the Denton Field of Lea County, New Mexico and became operator of the wells located on and producing from those leases and depths. Included among the leases and wells were those wells that would become the subject of the amended referenced Inactive Well Agreed Compliance Order (the "Order"), save and except the Denton #1 well.

Under the agreement with Platinum, Platinum would re-enter, work-over, deepen, re-complete, drill horizontally or conduct such other operations so as to bring the wells back into production. Americo transferred operations to Platinum during the spring of 2006 for the State T and Mann Leases and would be transferring operations of the other leases on a lease-by-lease basis. At the time that Americo and the Oil Conservation Division (the "OCD") entered into the Order on March 31, 2006, Platinum had a rig on location and was re-working the State T #9 well. Platinum installed an ESP pump on that well, returning it to production, and moved over to the Mann A-2 well in which they also installed an ESP pump but which, to Americo's knowledge, has not been placed on production. It was thought that Platinum would then use this rig to move onto the wells subject to the Order and return them to production in accordance with our agreement with them or, in the alternative, Americo would utilize that rig to comply with the Order.

7575 San Felipe, Ste 200 Houston, TX 77063  
Tel: 713-984-9700 Fax: 713-984-9933  
E-mail: [americoenergy@americoenergy.com](mailto:americoenergy@americoenergy.com)

**Case No. 13819**  
**OCD Exhibit 6**

Unknown to Americo, however, was that Platinum was apparently encountering financial difficulties and would not be working on any more wells than the two mentioned above. As such, Platinum released the rig before Americo was able to secure it for work on the other wells.

Upon learning of this, Americo attempted to secure a rig but was put on "waiting lists" with various well service companies, including Key Well Service, Lucky Well Service and Viva Well Service. In fact, the lack of an available rig forced Americo to shut-in three of its producing wells (the State T #6 and 8 and the Dickinson #4) in the field from May until a rig was finally contracted and obtained from Viva in mid-September and was put to work first on the wells subject to the Order and only then on shut-in wells mentioned in this paragraph, above.

Of the wells that are subject to the order and which have been worked on, three should be eligible for Temporary Abandonment (the Dickinson A1 #1, Dickinson D #5 and Whitman B #7), one (the State T #5) was successfully returned to production, and two (the Dickinson A1 #2 and the Whitman A #1) have a fish or other restriction in the hole above the perforations.

Regarding the last two wells, the Dickinson's fish is at approximately 7,100' while its perforations are from 12,474' - 12,562'. A packer was set at 7,050' and the casing successfully tested to the surface at 500#.

As for the Whitman #1, the perforations are from 12,230' - 12,278'. The wellbore is cleaned to the perforations but a restriction indicates that the casing may have shifted 7,362'. A packer was set at 7,253' and the casing to the surface successfully tested to 500#.

Americo believes that it can return all of these wells to production; however such additional work as is needed will be very expensive. With Platinum owning a 50% interest but unable or unwilling to pay its share of the costs, such expenses become prohibitive especially not knowing what the chances are of Americo recovering these costs in the event Platinum seeks protection under bankruptcy laws.

I have attached copies of the C-103s for both the proposed and completed work that was done on these wells for your review.

Please feel free to contact me at 713-984-9700 if you have any questions or require further information.

Sincerely,



Oscar Nosrati

Vice President, Operations

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

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO.

30-025-0522

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

B.C. DICKINSON A1

8. Well Number 1

9. OGRID Number

6137

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 ☐ Gas Well ☐ Other Shut-In

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 1 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 ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL. ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test

☒

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.

Amended and Agreed Compliance Order NMOCD-ACOI-70-A

Proposed Remedial Work

- MIRU Service rig. Spot rig pump & tank, fill with kill fluid.
- Bleed off csg/tbg pressure. Circulate to kill well if necessary.
- N/D & N/U. pooh with production equipment. Lay down ESP equipment.
- RU wire line, clear casing string to 9350' top of perforations (perfs-9350-9362'). Pooh w/same.
- GIH with packer on tubing string. Set pkr at 9250', test casing string to 500 psi for 30 minutes.
- Pooh with BHA, lay down packer. Send the test results to OCD of NM.
- TIH with tubing string open ended.
- Rig down service rig and move out.
- Shut well in pending well evaluation and AFE cost to put well back on production.

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

TITLE Vice President -Operations

DATE 4/1/06

or print name Oscar Nosrati

E-mail address: oscar.nosrati@americoenergy.com

Telephone No. 713-984-9700

State Use Only

PROVED BY:

TITLE

DATE

Conditions of Approval (if any):

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87515

30-025-0522

STATE ☐ FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

B.C. DICKINSON A1

8. Well Number 1

9. OGRID Number

6137

10. Pool name or Wildcat

Denton (Wolfcamp)

Unit Letter L : 1980 feet from the South line and 660 feet from the West line

Section 1 Township 15S Range 37E NMPM County Lea

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

### 3820' Drive Bushing

For Below-grade Tank Application ☐ or Closure ☐

Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Inner 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 ☐ CHANGE PLANS ☐

☐ L OR ALTER CASING      ☐ MULTIPLE COMPL      ☐

HER: □

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: MECHANICAL INTEGRITY TEST ☒

3. 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.

Amended and Agreed Compliance Order NMOCD-ACOI-70-A

Remedial Work 9-19-06 to 9-27-06

- MIRU Service rig. Spot Reverse unit on location.
- OW. SICP160#, SITP 150#. Flowed well to rig tank. Well flowing @ 2bbl/m. with trace of oil & gas.
- Killed well w/10# brine water.
- N/D & N/U. pooh with 60 jts 2-7/8" & production equipment. Lay down ESP equipment.
- TIH w/overshot assy to fish for TAC. Tag an object at 1985' fish going down the hole.
- Continued down the hole to 2886' did not tag any object. Pooh stand back tubing string.
- RU wire line unit. TIH w/5.79" Ga.ring, tagged at 6080' wlm. Pushed the object to 7920' would not go deeper.
- TIH w/sand line tag at 7920' unable to push the object down the hole. Pooh.
- MU on/off overshot on 2-3/8"x2-7/8" tbg to 9347' did not tag any object. Pooh & lay down overshot.
- GIH with packer on tubing string. Set pkr at 9250', test casing string to 500 psi for 30 minutes. removed.
- Pressure chart and mailed to Houston.\*
- Pooh with BHA. lay down packer. TIH with 91 jts of 2-7/8" tubing string open ended. Closed well in.
- Rig down service rig and move out.
- Shut well in Pending well evaluation and AFE cost to put well back on production.

\* Chart attached

I 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-ground structure has been/will be constructed or closed according to NMOCGD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

TITLE Vice President - Operations DATE 12/3/04

Print name Oscar Nosrati E-mail address: oscar.nosrati@americoenergy.com Telephone No. 713-984-9700

Use Only

VED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

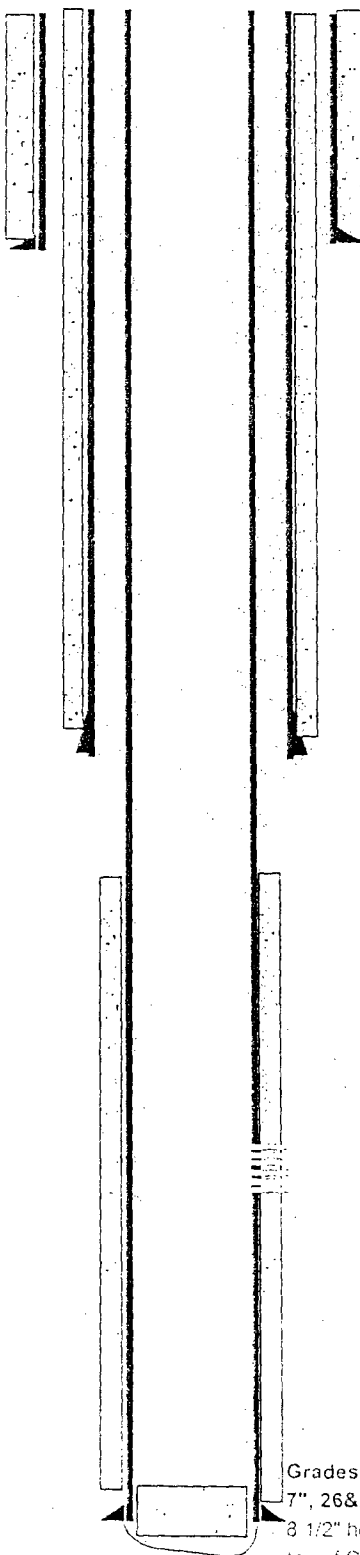
ons of Approval (if any):

Denton Well BC.Dickenson "A1" # 1  
API # 30-025-05222

GL 3820.5'  
DF 3808'  
Spud day 7/31/1951  
D & C 10/1/1951  
Field : Denton- Devonian.  
Original Operator:  
Atlantic Refining Company..

6/30/1992, Operator : Devon Energy

Location: 1980' FSL & 660' FWL of  
Section 1, T 15 S, R 37 E.  
Lea County, New Mexico.



Shut-in Well

Last Production reported :  
7/22/1993 : 6 BOPD, 2910 BWD, 15 mcf  
7/23/1993 : 12 BOPD, 3111 BWD, 15 mcf

13-3/8"x 48# Casing set at 309'  
w/ 375 sx Portland cemented  
Circulated to surface,

Logs: in well fill  
Radioactive Log: 9/29/1951  
Electric Log: 9/26/1951

9 5/8"x40,36 # Casing set at 4,730',  
w/ 3000 sxs. of cement 12-1/4" hole  
Cemented, to Surface.

Est. Top of cement at 7953'

0/29/1951  
Perforations: Wolfcamp.  
9350' to 9382' with 4 SPF  
total of 128 shots.  
Displaced mud w/ water & water w/ oil. Swa  
recovered 245 bbls. Load oil. Fluid level at  
Cont. swabbing & recovered 360 bbls of  
Acid Job. Acidized Wolfcamp thru perms 93:  
low tension & 6,000 gal. Reg. Acid. Initial in  
2,950 psi, broke to 2200 # & Final pressure  
5.5 BPM. Well flowed back to Pit & clean  
10/1/1951 Date for Potential flow rate Te:  
Production test was 257 bbls. of Oil API  
BS&W on 24/64" choke through 2 1/2" T.  
For a daily flow rate of 2053.56 BOPD. F

H.Dashti

9/5/2006

MGB

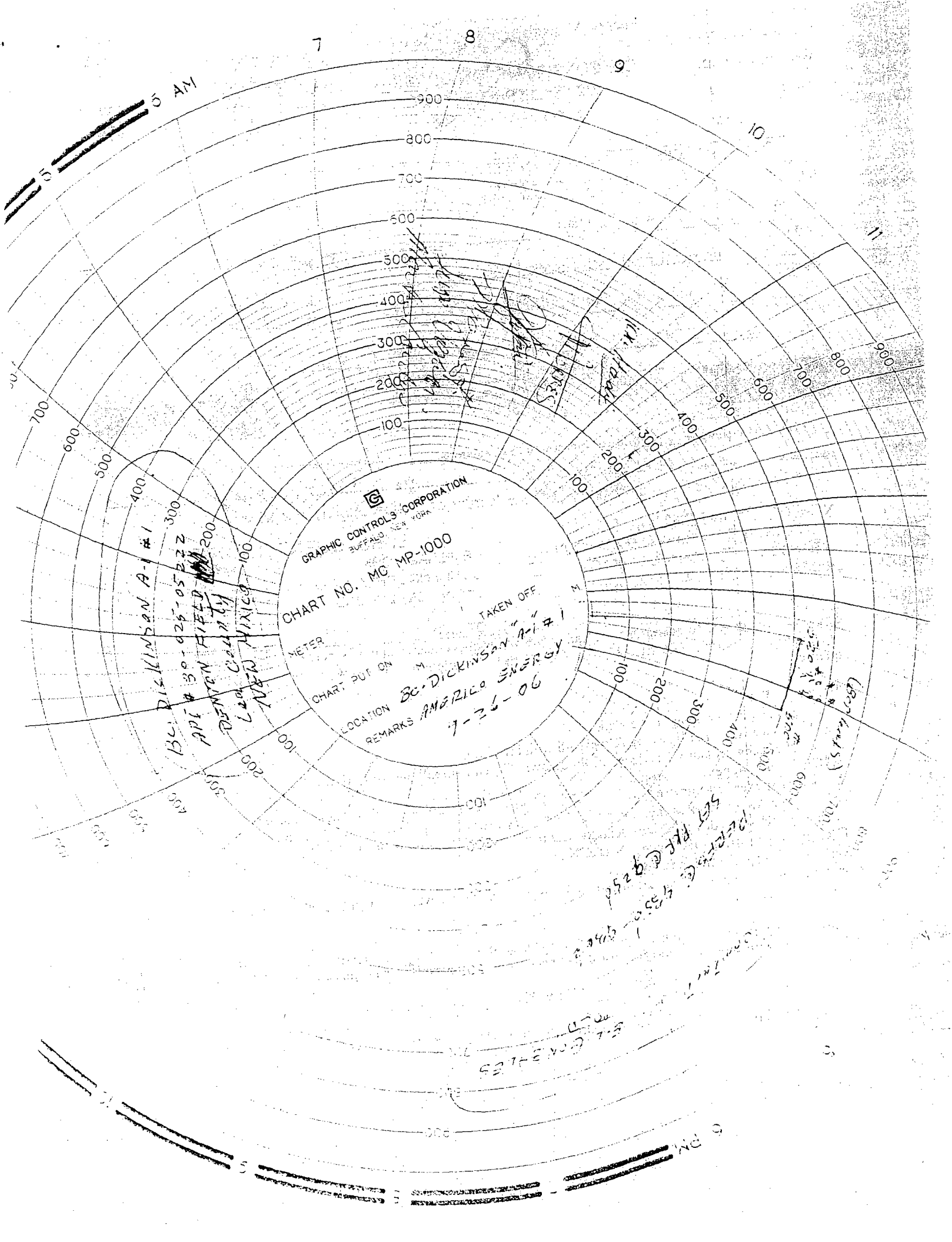
9/14/2006

PBTD' 9442'

TD' 9510'

Grades: S-95 & N-80.

7", 26&23 # casing set at 9495' w/ 600 sxs Trinity  
8 1/2" hole circulated cement behind 7.0" Casing.  
top of Cement at 3100'



GRAPHIC CONTROLS CORPORATION  
BUFFALO, NEW YORK

CHART NO. MC MP-1000

METER

CHART PUT ON

LOCATION

REMARKS

TAKEN OFF

BE DICKINSON A-1 #1  
AMERICO ENERGY  
7-26-06

BE DICKINSON A-1 #1  
API # 39-026-05222  
BENTON FIELD  
LEWIS COUNTY  
NEW YORK

(Bentons)  
7-26-06

7-26-06  
API # 39-026-05222

7-26-06  
API # 39-026-05222

7-26-06  
API # 39-026-05222

7-26-06  
API # 39-026-05222

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505WELL API NO.  
30-025-09868

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
BC.DICKINSON A1

8. Well Number 2

9. OGRID Number

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.)Type of Well: Oil Well ☒ Gas Well ☐ Other

Name of Operator

Americo Energy Resources, LLC

Address of Operator

7575 San Felipe, Suite 200, Houston, TX 77063

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 Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
GL3808'Below-grade Tank Application ☐ or Closure ☐

Type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Casing 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 ☐ CHANGE PLANS ☐  
REPAIR OR ALTER CASING ☐ MULTIPLE COMPLETIONS ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐OTHER: ☐OTHER: ☐

3. 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.

## Proposed Remedial Work

Inform "OCD" before start working on the well.

- MIRU Service rig. Spot rig pump & tank, fill with kill fluid.
- Bleed off csg/tbg pressure. Displace kill fluid down 7" casing to kill the well, if necessary.
- N/D wellhead flange & N/U bop's.
- RU wire line, clear casing string to top of fish @7000' (perfs-12474-12562'). Pooh w/same.
- GIH with packer on work string. Set pkr at 7000', test casing string to 500 psi for 30 minutes.
- Pooh with BHA, lay down packer. Send the test results & C-130 form to OCD of NM.
- TIH with tubing string open ended. N/D & N/U.
- Rig down service rig and move out.
- Shut well in Pending well evaluation and AFE cost to clean up the well/put well back on production.
- P/A or T/A the well.

I 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-ground tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Signature \_\_\_\_\_ TITLE Vice President - Operations \_\_\_\_\_ DATE 6/2/04

Print name Oscar Nosrati  
Date Use Only

E-mail address: oscar.nosrati@americoenergy.com Telephone No. 713-984-9700

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Signatures of Approval (if any):

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

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

**COPY**  
WELL ABANDON  
30-025-09868

5. Indicate Type of Lease  
STATE ☐ FEE ☒  
6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
B.C. DICKINSON A1

8. Well Number #2

9. OGRID Number

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

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 ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ 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: Mechanical Integrity Test ☒

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.

Subsequent Report of Remedial Work.

Informed "OCD" of start of working on the well.

- 10-3-2006 MIRU Service rig. Installed perm anchors on location.
- Opened wellbore SICP=0 psi. No tubing in the well.
- N/D wellhead flange & N/U bop's.
- RU JSI wire line. RIH w/5.719" gauge ring, tag at 7055' top of fish. (perfs-12474-12562'). Pooh w/same.
- GIH w/7" packer on work string. Set pkr at 7005', test casing string to 500 psi for 30 minutes. Held OK.
- Pooh with BHA, lay down tubing & packer. Sent pressure chart to Houston.
- Nipple down BOP's, and installed wellhead flange.
- Rig down service rig and move out.
- Shut well in Pending well evaluation and AFE cost to clean up the well/put well back on production or P/A or T/A the well. Kmh.10-5-06

Chart Attached

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 ☐.

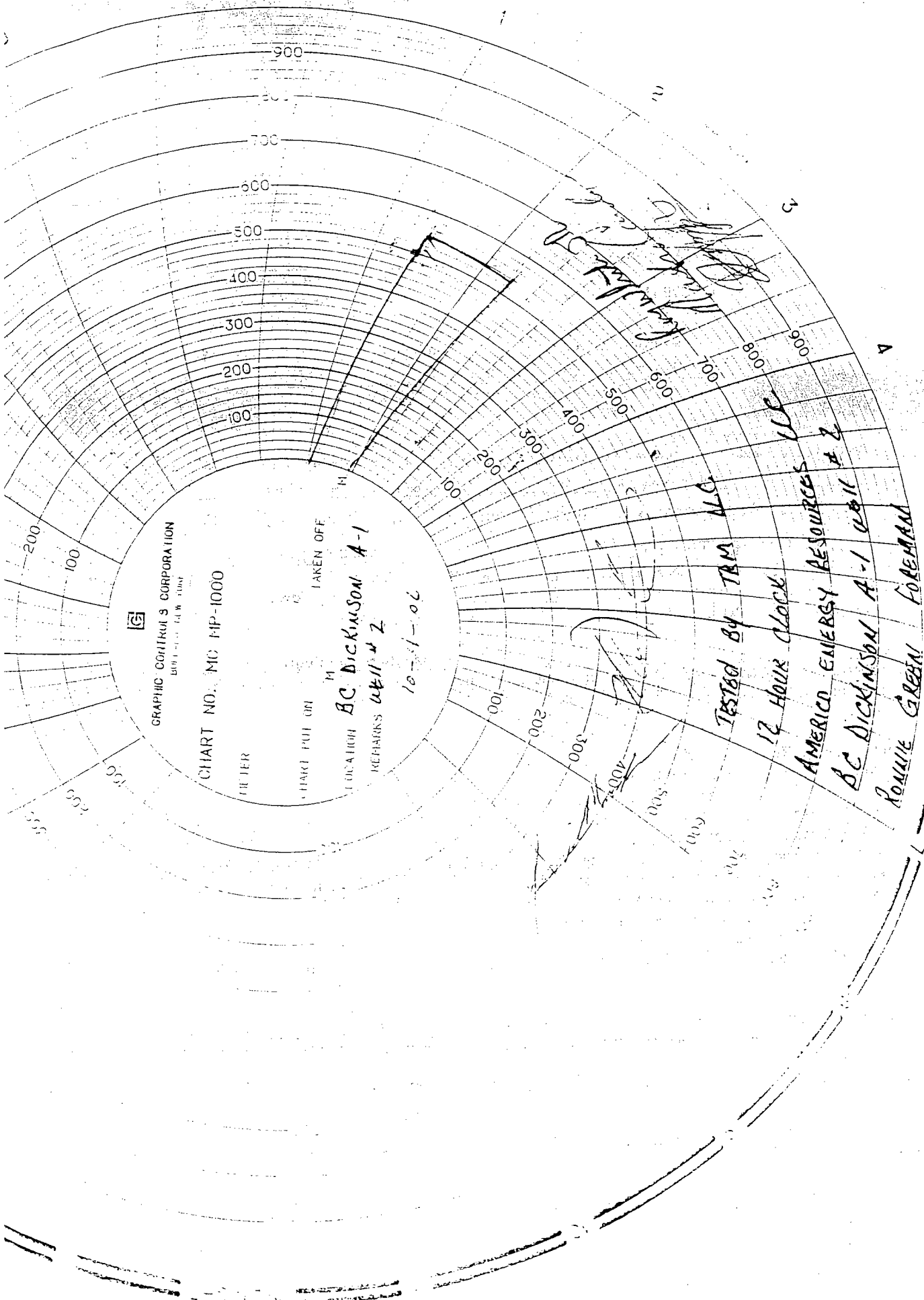
SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 10.16.06

Type or print name Robert M. Gray E-mail address: don.gray@americoenergy.com Telephone No. 713-984-9700  
for State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):





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

Energy, Minerals and Natural Resources

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

Form C-103  
May 27, 2004

WELL API NO.  
30-025-05179

5. Indicate Type of Lease.  
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.  
N/A

7. Lease Name or Unit Agreement Name  
BC DICKINSON D

8. Well Number 5

9. OGRID Number  
6137

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 Shut In

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 C : 660 feet from the North line and 1980 feet from the West line  
Section 35 Township 14S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
KB 3833

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 ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test ☐

OTHER: ☐

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Proposed Remedial Work

Inform "OCD"

- MIRU Service rig. Spot rig pump & tank, fill with kill fluid.
- Bleed off csg/tbg pressure. Circulate to kill well, if it is necessary.
- N/D & N/U. pooh with production equipment. It is reported that 1 jt of tubing w/seating nipple in the well.
- RU wire line, clear casing string to pbtd' top of perforations (perfs-12178-12475'). Pooh w/same.
- Inform "OCD" 24 hrs before start testing the casing string.
- GIH with packer on tubing string. Set pkr at 12078'. test casing string to 500 psi for 30 minutes.
- Pooh with BHA, lay down packer. Send the test results to "OCD" of NM. Along with C-103 form.
- TIH with tubing string open ended.
- Rig down service rig and move out.
- Shut well in Pending well evaluation and AFE cost to put well back on production.

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 [Signature] TITLE Vice President - Operations DATE 9/1/06

pe or print name Oscar Nosrati

E-mail address: Oscar.Nosrati@americo energy.com Telephone No. 713-984-9700

r State Use Only

PROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

nditions of Approval (if any):

strict I  
25 N. French Dr., Hobbs, NM 88240  
strict II  
01 W. Grand Ave., Artesia, NM 88210  
strict III  
00 Rio Brazos Rd., Aztec, NM 87410  
strict IV  
20 S. St. Francis Dr., Santa Fe, NM  
505

Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

WELL API NO.

30-025-05179

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

B.C.DICKINSON D

8. Well Number 5

9. OGRID Number

6137

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)

Type of Well: Oil Well ☐ Gas Well ☐ Other Shut-In

Name of Operator

Americo Energy Resources, LLC

Address of Operator

7575 San Felipe, Suite 200, Houston, TX 77063

Well Location

Unit Letter C : 660 feet from the North line and 1980 feet from the West line

Section 35 Township 14S Range 37E NMPM County Lea

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

KB 3833'

or Below-grade Tank Application ☐ or Closure ☐

type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

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 ☐ CHANGE PLANS ☐

ILL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test ☒

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.

Amended and Agreed Compliance Order NMOCD - ACOI-70-A

9-27-06 to 10-01-06 Remedial Workover

Informed "OCD" Mr. Gonzales

- MIRU Service rig. Tested perm anchors, OK.
- OW, SITP=0, SICP=0 Bled off csg/tbg pressure.
- Broke down frozen wellhead bolts, unable to pull frozen ESP slips. Latched on tubing & picked up on
- Tubing 65k unable to pull. Changed to 4 lines & pulled 95000 lb. lay down slick jt with ESP head.
- N/D & N/U. pooh with 361 jts. 2-7/8" tbg. It is reported that 1 jt of tubing w seating nipple in the well.
- MIRU Monk tbg tester. GIH w/packer and tbg. testing tbg to 5000 psi. finished in the hole w/packer & tbg string.
- Attempt to circulate well w/186 bbl of wtr, well on vac. Re-informed "OCD"
- Re-nform "OCD" and set packer at 12080'. filled up annulus w 210 bbl of field salt water at slow rate.
- Installed pressure recorder & test casing string to 560 psi for 38 minutes. casing held OK. Released pressure.
- Released packer. POOH with tubing string. lay down 63 jts of 2-3/8" rented tubing.
- TIH with 360 jts of 2-7/8" N80 tubing to 11700'. Closed well in
- Rig down service rig and move out.
- Shut well in Pending well evaluation and AFE cost to put well back on production.

by 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-  
ank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE \_\_\_\_\_ TITLE Vice President - Operations \_\_\_\_\_ DATE \_\_\_\_\_

or print name Oscar Nosrati E-mail address: oscar.nosrati@americoenergy.com Telephone No. 713-984-9760  
Date Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Consents of Approval (if any):

B.C. Dickenson "D" # 5  
API # 30-025-05179

GL 3812'  
DF  
Spud Date 11/2/1952  
D&C 2/15/1952

Arco Oil & Gas Company.

TOC @

Most Recent Information in this File.

Devon Energy Corp.

9/20/2000

-125 HP, 1450 Volts 54 Amp.  
-seal thru STD.  
-seal thru HLL  
-Rgs gas separator.  
-125 stage TD 1750 Pmp.  
-58 stage TD 1750 Pmp.  
-67 stage td 1750 Pmp  
- 2 3/8" x 2 7/8" change over.  
-2-7/8" sub  
- 2 7/8" seating nipple.  
31 2-7/8" EUE grade L-80 Tubing.  
otal depth pumping 11,406.90'

Dahti  
/22/2004

TD open Hole 12,178'  
12,475'  
12,475'

13-3/8" x 54 # Casing set at 319'  
17 1/2 " Hole Cemented w/ 400 SX.

Top of Liner at 4470'

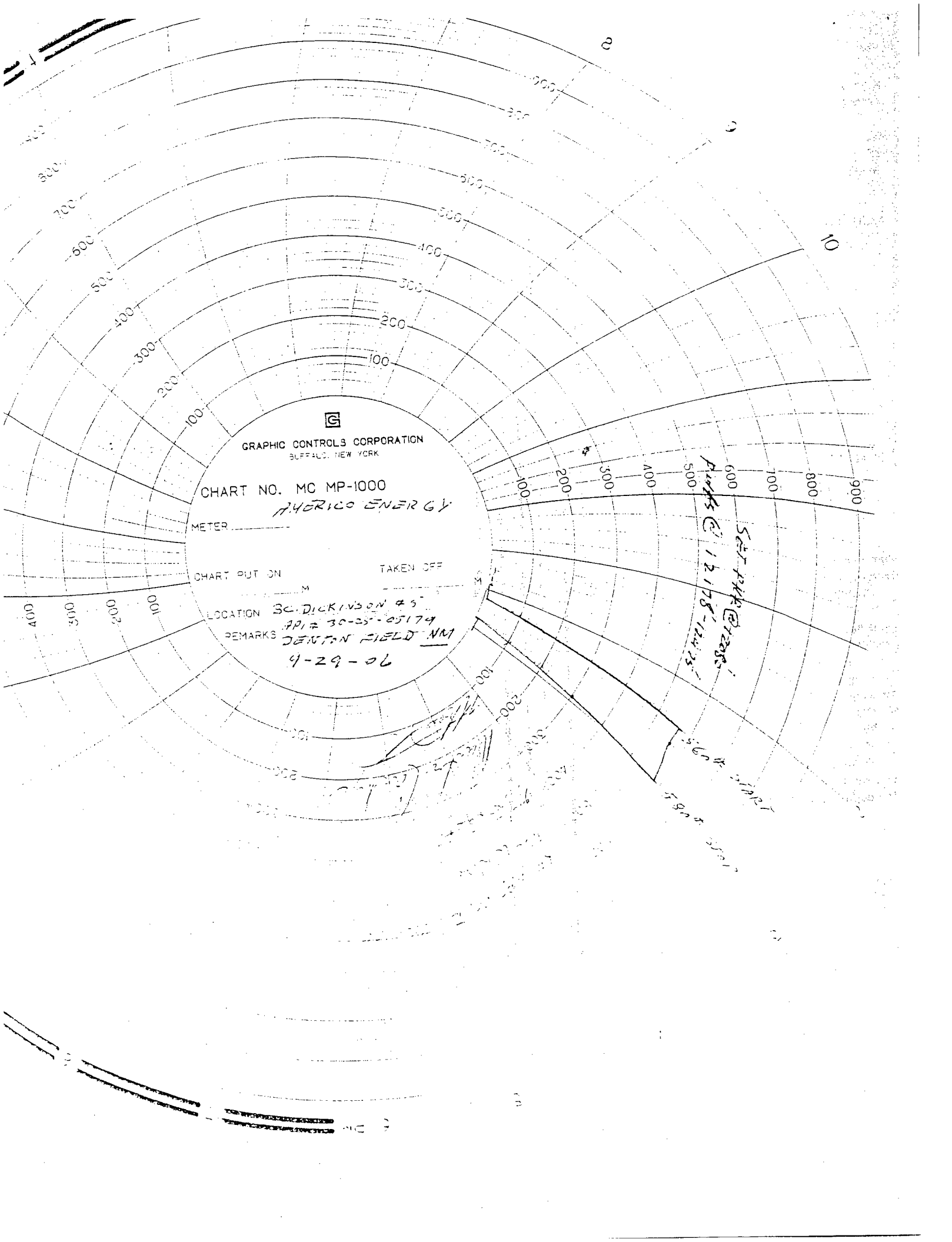
8-5/8" x 32 # Casing set at 4735'  
12-1/4" Hole Cemented w/ 2,000 Sax.

Note: Well was shut-in due to  
Economic limits. 8/21/2001

9/20/2000  
ESP pump set at 11,406'

8/28/1998: BJ Services CO.  
Acidized open hole 12,178 to 12,305'.  
2,000 gallons HCL. Additives Salt 2,000#  
NE 940, 11Gal, Ferrotrol 270 - 10 Gals.  
Ferrotrol 271, 2 Gal., Cl- 25, 2Gals. &  
ACIGEL- 11 Gallons.  
Total volume pumped in this well was 7300 gals.  
Production Test: 89 BOPD, 1311 BWPD & 182 CFG/D.  
Casing Detail:  
5-1/2" x 17 # N80 Liner. 4470' to 9800'  
5-1/2" x 20 # N 80 Liner 9800' to 12,178'.  
7-7/8" hole cemented w/ 1,000 sxs.

Original completion:  
7-7/8 " open hole from 12178' to 12,305'



GRAPHIC CONTROLS CORPORATION  
BUFFALO, NEW YORK

CHART NO. MC MP-1000

AMERICO ENERGY

METER

CHART PUT ON

TAKEN OFF

LOCATION

30. DICKINSON #5

REMARKS

API # 30-25-05174

DENTON FIELD NM

4-29-06

Set PKE @ 1200  
Picks @ 12175-12475

5.600 4.000 3.000 2.000 1.000

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

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

WELL API NO.	30-025-05230
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-9774
7. Lease Name or Unit Agreement Name	State "T"
8. Well Number	5
9. OGRID Number	
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 ☐ Gas Well ☐ Other Shut-In

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 K : 2115 feet from the South line and 2046 feet from the West line  
Section 2 Township 15S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
KB 3812'

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 ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test ☒

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.

Amended and Agreed Compliance Order NMOCD-ACOI-70-A

Proposed workover plan:

move in & rig up, circulate to kill well with field produced water. N/D, & N/U.  
Pooh with 286 jts of 2-7/8" tubing. GIH with 5-1/2" packer on 2-7/8" tubing to 8684' above the  
fish at 8741' reported by Devon Energy. (Open perfs: 9018-9178')  
Set packer at 8684'. fill up the hole with water and install pressure recorder  
Pressure up on annulus 500 psi w/all the valves open. Hold 500# pressure for 30 minutes.  
Release pressure off casing annulus. Release packer and POOH with tubing string, lay down packer.  
GIH with 2-7/8" B plug, 2 jts of .tbg, perforate nipple, and S/N on 260 jts of tubing to 7948' EOT.  
Remove BOP's, install wellhead equipment. Rig down service rig.  
Level off location around the wellbore. Move in and install pumping unit, space off the same.  
RU workover unit. GIH with pump and rods, space out and hang well on beam.  
put well on production. Test and report workover results.

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 \_\_\_\_\_ TITLE Vice President - Operations DATE 7/1/04

type or print name Oscar Nosrati

E-mail address: [oscar.nosrati@americoenergy.com](mailto:oscar.nosrati@americoenergy.com) Telephone No. 713-984-9700

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



# Denton State T # 5

API # 30-025- 05230

GL 3802'  
KB 3814'  
DF 3812'  
D&C 3/9/1953  
Operator : Atlantic Refining CO.

## Location:

2115' FSL. & 2046' FWL  
Sec. 2. - T.16 S- R. 37- E.  
Lea County, New Mexico.

Top of cement behind 7-5/8"  
at 3140'

H.Dashti  
12/8/2004  
4/13/2006  
9/5/2006  
PSTD  
TD

9217'  
9250'

State T-5, T/A due to fish left in the well.

Reported to OCD/ NM on 7/15/1998

Casing last tested on 8/9/88  
Pressure Tested to 500 psi.  
1/24/1998 thru 1/31/ 1998  
Swabbed, 7 bopd, 158 bwpd.  
Fluid Level standing at 2300"  
Last run lost Sinker bars & 400'  
sand line in hole. Loaded Csg annulus.  
Pressure Tested to 500 psi. good test.  
POH Packer TOH. Ran bit & Scraper.  
Tagged at 8741', stopped at 8772'  
POH & RIH open ended tubing.  
Landed tubing at 8675'

13-3/8" x 36 # K-55 set at 290'  
cemented w/ 400 sxs CMT.

9-5/8" casing at 2088' w/ 1300 sxs of  
Cement, 12-1/4" Open hole,  
circulated cement to the surface,  
3/2/1953

Micro Log, Electric Log.  
Core Analysis, 9000' to 9250', Avg. Prosimy.  
Oil saturation. 3/6/1953 ) Core Lab. Report.

Top of 5-1/2" Liner at 7012'  
or Liner Hanger set at 7012'

Tubing 1/31/1998 Devon Energy:  
Open ended tubing Landed at 8,675'

7-5/8" casing set at 7186' w/ 1200 sxs.  
of Cement 8-3/4" hole cemented.  
Temp. survey found top of cement at 3,140'

Top of Fish at 8741' 1/31/ 1998

Last run lost Sinker bars & 400' of sand line.  
Baker Mod 415 at 8968', Kobe. Pump Cavity  
& 2 7/8" Tubing cut off fish. Top of fish at 8924'  
Lost Sinker bars & 400' of sand line.  
Well was shut-in due to Fish left  
hole. 1/31/1998

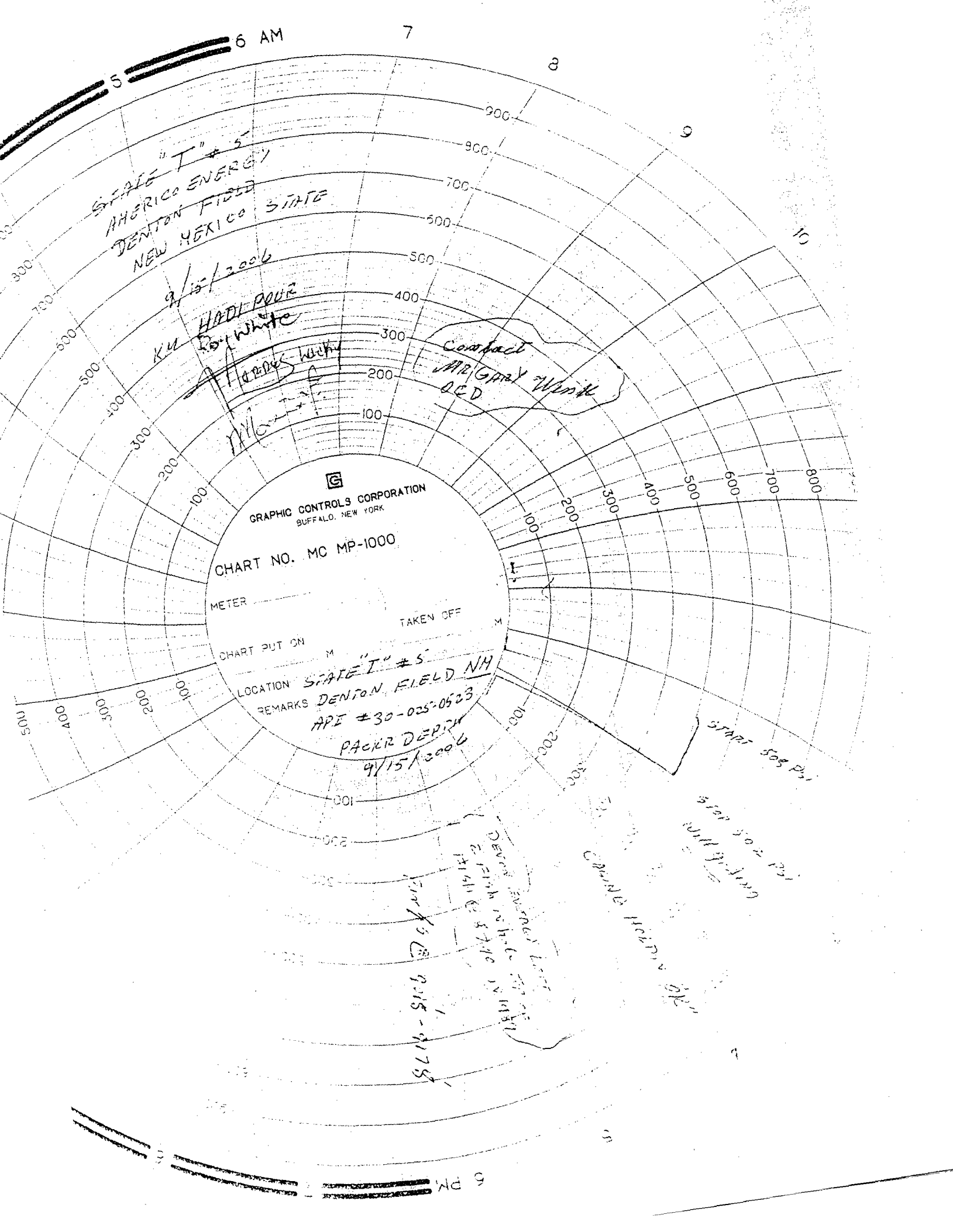
## Perforations:

Wolfcamp Perfs: 9018' 40' ( 4 SPF )  
Wolfcamp Perfs. 9052' - 93' ( 4 SPF )  
Wolf camp perfs: 9126'-- 78' ( 4 SPF )

Top of Junk Packer at 9217'

5-1/2" x 20#, N-80 Hydril FJ N-80  
5-1/2" Casing ( Liner ) set at 9247'  
Cemented with 150 sxs.  
Top of 5 1/2" Liner at 7012.98'





STATE "T" #5  
AMERICO ENERGY  
DENTON FIELD  
NEW MEXICO STATE

9/15/2006  
KUN HAD FOUR  
BOY WHITE

CONTACT  
MR GRAY WORK  
DED

GRAPHIC CONTROLS CORPORATION  
BUFFALO, NEW YORK

CHART NO. MC MP-1000

METER

TAKEN OFF

CHART PUT ON

LOCATION STATE "T" #5  
REMARKS DENTON FIELD NH  
APE #30-025-0523  
PACKED DEPTH  
9/15/2006

START 500 PSI

STOP 500 PSI  
WITH GRADING

CABING HOLDING

DENTON FIELD NH  
ELEVATION 5740  
9/15/2006  
9/15-9/17/06

5 PM

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

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

WELL API NO 30-025-05135
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Lee Whitman, A
8. Well Number 1
9. OGRID Number
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 ☐

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 G 1980 feet from the North line and 1980 feet from the East line  
Section 26 Township 14S Range 37E NMPM          County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3800 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input checked="" type="checkbox"/> Mechanical Integrity Test		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.

Proposed Remedial Work: Consult with "OCD" 24 hrs prior to work.

1. Install and test 4 anchors on location
2. level of and remove tall weeds and push aside.
3. MIRU E line unit GIH with gauge ring and junk basket & clear casing string to BPTD of 12280 if possible.
4. MIRU workover unit, spot pump and tank. Fill rig tank w/field salt water
5. N/D tree, N/U and test BOP's. pooh with tubing if any.
6. GIH with packer on 2-7/8", N80 tubing testing work string to 5000 psi.
7. Fill up the wellbore with field salt water if possible.
8. Set packer at 12130' (perts: 12230-12278') with 20k on the packer.
9. Fill up annulus with FSW. install pressure recorder, and test 7" casing string to 500 psi for 30 minutes.
10. Remove pressure chart. Bleed down casing pressure. Release packer.
11. Pooh and lay down work string tubing. lay down packer.
12. Rig down service rig, clean up location. Move out
13. Shut well in pending wellbore evaluation and Remedial Work.

Note: in 1998 Chevron reported tight spot in 7" casing at 7378'. Unable to go through w/5.6" gauge.

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/closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Robert M. Gray TITLE LAND MANAGER DATE 10/4/06

type or print name Robert M. Gray E-mail address: don.gray@americoenergy.com Telephone No. 713-984-9700  
or State Use Only

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

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

State of New Mexico  
Energy, Minerals and Natural Resources  
**COPY**  
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.

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐  
2. Name of Operator  
Americo Energy Resources, LLC  
3. Address of Operator  
575 San Felipe, Suite 200, Houston, TX 77063  
4. Well Location  
Unit Letter G 1980 feet from the North line and 1980 feet from the East line  
Section 26 Township 14S Range 37E NMPM County Lea  
11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3800 GL  
or Below-grade Tank Application ☐ or Closure ☐  
Liner Thickness:            mil  
Depth to Groundwater            Distance from nearest fresh water well            Distance from nearest surface water             
Below-Grade Tank: Volume            bbls Construction Material           

WELL API NO.  
30-025-05135  
5. Indicate Type of Lease  
STATE ☐ FEE ☒  
6. State Oil & Gas Lease No.  
            
7. Lease Name or Unit Agreement Name  
Lee Whitman A  
8. Well Number #1  
            
9. OGRID Number  
            
10. Pool name or Wildcat  
Denton (Devonian)

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 ☐ CHANGE PLANS ☐  
FULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ P AND A ☐  
CASING/CEMENT JOB ☐

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.

Subsequent Report of workover.  
Informed "OCD" Mr. Gonzales.

Note: 1998 Chevron reported tight spot in 7" casing at 7378'. 5.6" gauge did not go through.  
Installed and test 4 anchors on location and cleaned up the area.  
level of and remove tall weeds and push aside.  
9/23/06 MIRU E line unit. GIH w/ 1.25" bar to 12325'. Poolh. GIH w/ 3-1/8" bar went through tight spot.  
GIH with 5.76" gauge ring. tag bad spot in casing at 7362'. Poolh and rig down wire line unit.  
10/5/06-10/11/06 MIRU workover unit. spot pump and tank. N/D free. N/U and checked BOP's.  
GIH w/ 4-3/4" bit. 2 jts 2-3/8" and packer. Set packer at 7309' & tested tools did not hold. Poolh lay down pkr.  
GIH w/ 6-1/8" bit & scraper cleaned up casing to 7362'. Poolh & lay down bit & scraper.  
TIH w/ 7" RT Bridge plug and packer. Set Bridge plug at 7318' PC & tested plug 550# for 10 mts held OK.  
Re-set packer at various depth above bridge plug & tested 7" casing 500 psi to surface held OK for 30 minutes.  
Poolh & lay down work string. Laid down packer and RT Bridge plug. N/D BOP's and installed Flange on the well.  
Closed well in. Pending well evaluation and AFE approval.  
Chart attached

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-tank has been will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an attached alternative OCD-approved plan ☐

SIGNATURE Robert M. Gray TITLE Land Manager DATE 10/10/06  
or print name Robert M. Gray  
E-mail address: don.gray@americoenergy.com Telephone No: 713-984-9760

APPROVED BY:            TITLE            DATE             
Comments of Approval (if any):

# LeeWhitman A No. 1

Denton (Devonian) Field  
API 30-025-05135  
Elev. KB 3812'  
D&C 1/18/53

Well S/I since 1992 for Casing Restriction.  
No Tubing ran in this well at present 9/23/06.

BaseUSDW @

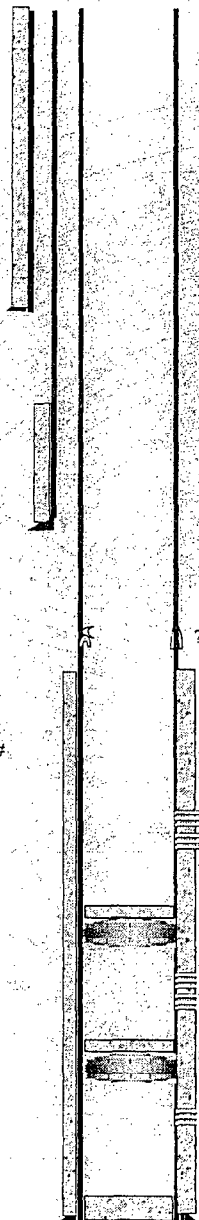
DST Basil Abo 11-9-52 9284'-9321'  
Gas to surface in 20 mins. Open 3 hr. 30  
mins. Steady blow thruput. Rec. 5900'  
of clean oil. Hyd press in 4400# - out 4275#  
IFP 300# FFP 1475# - 20mins. BUP 3200#

TOC @ 5855' behind 7.0" casing.

DST Wolfcamp 9323'-9389'  
5/8" BC, 1" TC Open 4 hrs. Gas to surface  
2 hr. 45 min. Rec. 450' heavy oil and gas cut  
mud. Hyd press in 4510# out 4420# IFP 60#  
FFP 165# - 15 min. BUP 360#.

R Arnold  
10/21/2004  
MGB  
9/10/2006

PBTD: 12,273'  
TD: 12,575'



Effective date: 9/23/2006  
MI & R/U Pro- Log Equipment. Removed  
wellhead Flange. GIH w/ 1-1/4" Bar  
cleared 7.0" Casing to 12,325'. POOH  
w/same GIH w/ 3-1/8" CCL. Cleared  
casing to 8800'. POOH lay down tools.  
GIH w/ 3-1/3" CCL on 3-1/8" x 7' of Bar.  
Cleared casing to 8800'. POOH w/ same.  
GIH w/ 5.76" Gauge Ring & Junk Basket  
Cleared 7" Casing to 7300' & Tag hard spot  
at 7362' unable to go deeper.  
R/D wire line tools & S/D. Pending well  
Evaluation.

13 3/8" 36# casing set at 280'  
cmt w/400 sxs. Circulated cmt to surface.

Top of cement at 2350 behind 9-5/8" Csg.

9 5/8" 36# & 40# J-55 casing set at 4737'  
cmt w/1530 sxs TOC @ 2350'

9/23/2006:  
GIH w/ 5.76" Gauge Ring & Junk Basket  
Cleared 7" Casing to 7300' & Tag hard spot  
at 7362' unable to go deeper.

No Tubing ran in this well at present 9/23/06.

Ran Gage ring & tagged at 7378' (1/15/98)

in 1959 Devonian Perfs 12,230'-12,252' (4 spf)  
in 1959 Devonian Perfs 12,266'-12,278' (4 spf)

CIBP @ 12,285' w/10' cmt on top (11/23/88)

in 1959 Devonian Perfs 12,294'-12,310' (4 spf)  
In 1959 Devonian Perfs 12,316'-12,330' (4 spf)

CIBP @ 12,335' w/10' cmt on top (11/23/88)

in 1953 Devonian Perfs 12,350'-12,415' (4 1/2" jsfp)

7.0" 23#, 26# & 29# & 32# (no grade was given).  
7" 32# casing set at 12574'  
Cmt w/750 sxs cmt  
TOC @ 5855' per Temp Survey 2/15/53

Cum production since 1953 = 1,001,938 BO, 110,066 Mcf, 199424 BW.

## Recommendations:

The well has further potentials in several horizons, including the Devonian ESP application.  
Plan to fix the casing and then test the potentials accordingly.

MGB - 9-25-06

96 MIN

START

8 MIN

88 MIN

30 MIN

16 MIN

22 MIN

32 MIN

Graphic Controls  
Buffalo NY 14240 USA  
(6.375 ARC LINE GRAD.)

Low WH. COM. A #1

10-11-6

MCI = 3-1000-8-96MIN

201 PK 120 7224  
151 C. 120 7224  
3-475 2K  
7224-5-465

State of New Mexico  
Energy, Minerals and Natural Resources

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

1. French Dr., Hobbs, NM 88240  
2. W. Grand Ave., Artesia, NM 88210  
3. Rio Brazos Rd., Aztec, NM 87410  
4. S. St. Francis Dr., Santa Fe, NM

WELL API NO.  
30-025-05112

5. Indicate Type of Lease  
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
Lee Whitman B.

8. Well Number 7

9. OGRID Number

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.)

Type of Well: Oil Well ☒ Gas Well ☐ Other

Name of Operator  
Americo Energy Resources, LLC

Address of Operator  
575 San Felipe, Suite 200, Houston, TX 77063

4. Well Location  
Unit Letter O 330 feet from the South line and 1650 feet from the East line  
Section 23 Township 14S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3825' DF

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ bbls: Construction Material \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ Below-Grade Tank: Volume \_\_\_\_\_

**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 ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☒ Mechanical Integrity Test

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.

**Proposed Remedial Work:**

Consult with "OCD" 24 hrs prior to work.

1. Install and test 4 anchors on location.
2. level off, and remove tall weeds and clear the area.
3. MIRU workover unit, spot pump and tank. Fill rig tank w/field salt water.
4. Check & disconnect electric power. N/D free. N/U and test BOP's.
5. Kill well. Pooh with 2-7/8" tbg. and ESP assy. Send ESP equipment in.
6. RU E.line unit. Ran full size gauge ring and J.Basket to 12560' (perts: 12544-12648') pooh w/ same.
7. GIH w/tbg & packer. Set packer at 12444'. Fill up annulus with FSW.
8. Install pressure recorder, and test 7" casing string to 500 psi for 30 minutes.
9. Remove pressure chart. Bleed down casing pressure. Release packer.
10. Pooh and lay down excess work string tubing. lay down packer.
11. GIH with ESP. Rig down service rig, clean up location. Move out.
12. Kick well on production.

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 Robert M. Gray TITLE Land Manager

E-mail address: don.gray@americoenergy.com Telephone No. 713-984-9700

DATE 10/4/06

Type or print name  
or State Use Only

Robert M. Gray

APPROVED BY:

Conditions of Approval (if any):

TITLE

DATE

tract I  
S N. Franc Dr., Hobbs, NM 88240  
tract II  
I W. Gran Ave., Artesia, NM 88210  
tract III  
0 Rio Braz & Rd., Aztec, NM 87410  
tract IV  
0 S. St. Francis Dr., Santa Fe, NM  
05

State of New Mexico  
Energy, Minerals and Natural Resources

COPY

Form C-103  
May 27, 2004

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

WELL API NO.  
30-025-05112

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Lee Whitman B

8. 7

9. OGRID Number

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.)

Type of Well: Oil Well ☒ Gas Well ☐ Other

Name of Operator

Americo Energy Resources, LLC

Address of Operator

7575 San Felipe, Suite 200, Houston, TX 77063

Well Location

Unit Letter O 330 feet from the South line and 1650 feet from the East line

Section 23 Township 14S Range 37E NMPM County Lea

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

3825 DF

Below-grade Tank Application ☐ or Closure ☐

Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Soil 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 ☐ CHANGE PLANS ☐  
REPAIR OR ALTER CASING ☐ MULTIPLE COMPLETIONS ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐

OTHER: Successful Mechanical Integrity Test ☒

3. 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.

Subsequent Remedial Work:

Consult with "OCD" to move to location.

Install and test 4 anchors on location

level off, and remove tall weeds and clear the area.

MIRU workover unit, tied to perm anchors. Check power, not indication of any cable in the well.

N/D tree, N/U BOP's. Latched on tbg and pulled 80000 lb. pipe did not move. SDEN.

PU on 2-7/8" tbg 87000 and pooh with 349 jts of 2-7/8" 8rd tubing

PU 6" bit & 7" casing scraper tested 403 jts of tubing. Ran bit & scraper to 12560' (perfs 12544'-12648')

Displaced tubing and casing with field salt water. Well on Vac. Pooh with tubing string.

GIH w/packer on 2-7/8" tbg. Set packer at 12466' packer would not set. PU & set at 12410' w/24000 lb.

fill up the hole, install pressure recorder, and test 7" casing string to 500 psi for 30 minutes held OK.

Remove pressure chart. Bleed down casing pressure. Release packer.

Pooh and lay down excess work string tubing. lay down packer.

GIH with S/N & 323 jts of tubing to 10061'. Rig down service rig, clean up location. Move out

Shut well in pending partner approval to put well on production.

Chart attached

I 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-ground well has been/will be constructed or closed according to NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Robert M. Gray TITLE Land Manager DATE October 25, 2006

Print name Robert M. Gray E-mail address: don.gray@americoenergy.com Telephone No. 713-984-0700

Use Only

WITNESSED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Consent of Approval (if any):

