District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

HOBBS OCD

JUL 26 2013

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised November 14, 2012

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address	2. OGRID Number
AMTEX ENERGY INC P.O. Box 3418 Midland, TX 79702	785
	3. API Number 30-025-24655

4. Property Code	5. Property Name	6. Well No.
40047	STOCK UNIT 15 STATE COM	1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
J	15	21S	33E		1980'	South	1980'	East	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name	Pool Code
Hat Mesa ~~Legg; Atoka~~ Morrow	78240 ~~80130~~

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
E	Oil		State	3836'
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
N	14,522'	Morrow		

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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	20	16	75	437	450	Surface
Int.	13 3/4	10 3/4	40.5/ 51	6,039	3,365	Surface
Liner	9 1/2	7 5/8	29.7	11,972	1,400	3,737 (inside 10 ¾)
Liner	6 1/2	4 1/2	13.5	14,522	300 +/-	Circ. to Line Top

Casing/Cement Program: Additional Comments

Reconnect to wellhead. Drill out cmnt plugs. Run 3,3787' of 7-5/8" csg to reconnect downhole to 7-5/8" csg and run it back to surface. Pick up 6.5" mtdb and drill out cmnt plugs past 7-5/8" csg show set at 12,065'. Continue drilling out with 6.5" mtdb through cmnt plug at 12,480'. Drill through plug and continue drilling out original TD at 14,522'. Circulate old drill mud out, displace the hole and clean up open hole in preparation to run liner. Run 4.5" 13.5#, 8rd, LTC, HCP110 csg liner and set TD and top of liner will land at 11,900'. Rig down and move out. Prepare to complete well.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐, if applicable.**	OIL CONSERVATION DIVISION
Signature: William J. Savage	Approved By:
Printed name: William J. Savage	Title: Petroleum Engineer
Title: President	Approved Date: 7/31/13 Expiration Date: 7/31/15
E-mail Address: bsavage@amtexenergy.com	
Date: 07/01/2013 Phone: (432) 686-0847	Conditions of Approval Attached

JUL 31 2013

AMTEX ENERGY, INC.
P. O. Box 3418
Midland, TX 79702
432/686-0847
888/789.5245 FAX

Stock Unit 15 State COM Well No. 1

AFE #_____

Objective – Re-entry Multiple Completions in the Legg; Atoka-Morrow.

API# 30-025-24655 Location - Lea Co. - Sec 15(J) - T21S - R33E
GL - 3836' KB - 3853'
TD – 14,522' / TVD – PBTD - 14,265'

Casing	OD	WT/FT	Grade	Top	Bottom	TOC	80% Collapse (psi)	80% Burst (psi)
Surface	16	75#	K55	0	500'	Surface		
Intermediate	10 3/4	40.5,51#	K-55 & S-80	0	5,232'	Surface		
Production	7 5/8"	29.7	S-95 ,P-110, LT&C	3,787'	11,971'	3,787'		

Volume Calculations:
7-5/8" 39# casing (0.0138 bbl/ft), 7-5/8" 33.7# casing (0.012 bbl/ft), 2-7/8 6.5# tubing (0.00579 bbl/ft), 2-7/8 x 5-1/2 (0.0152 bbl/ft)

Marker Joints: TBD

OFFSET WELLS WITHIN ¼ MILE- NONE

Operator:	Well Name:	Sec-T-R:	Surf Loc:	Distance:	Frac Stg Proximity	Well Status

Completion Procedure

1) Reconnect to wellhead.
2) Drill out cement plugs.
3) Run 3,787' of 7 5/8" csg to reconnect downhole to 7 5/8" csg and run it back to surface.
4) Pick up 6.5" mill tooth drill bit and drill out cement plugs past 7 5/8" csg shoe set at 11,971'.
5) Continue drilling out with 6.5" mill tooth drill bit through cement plug at 12,480'.

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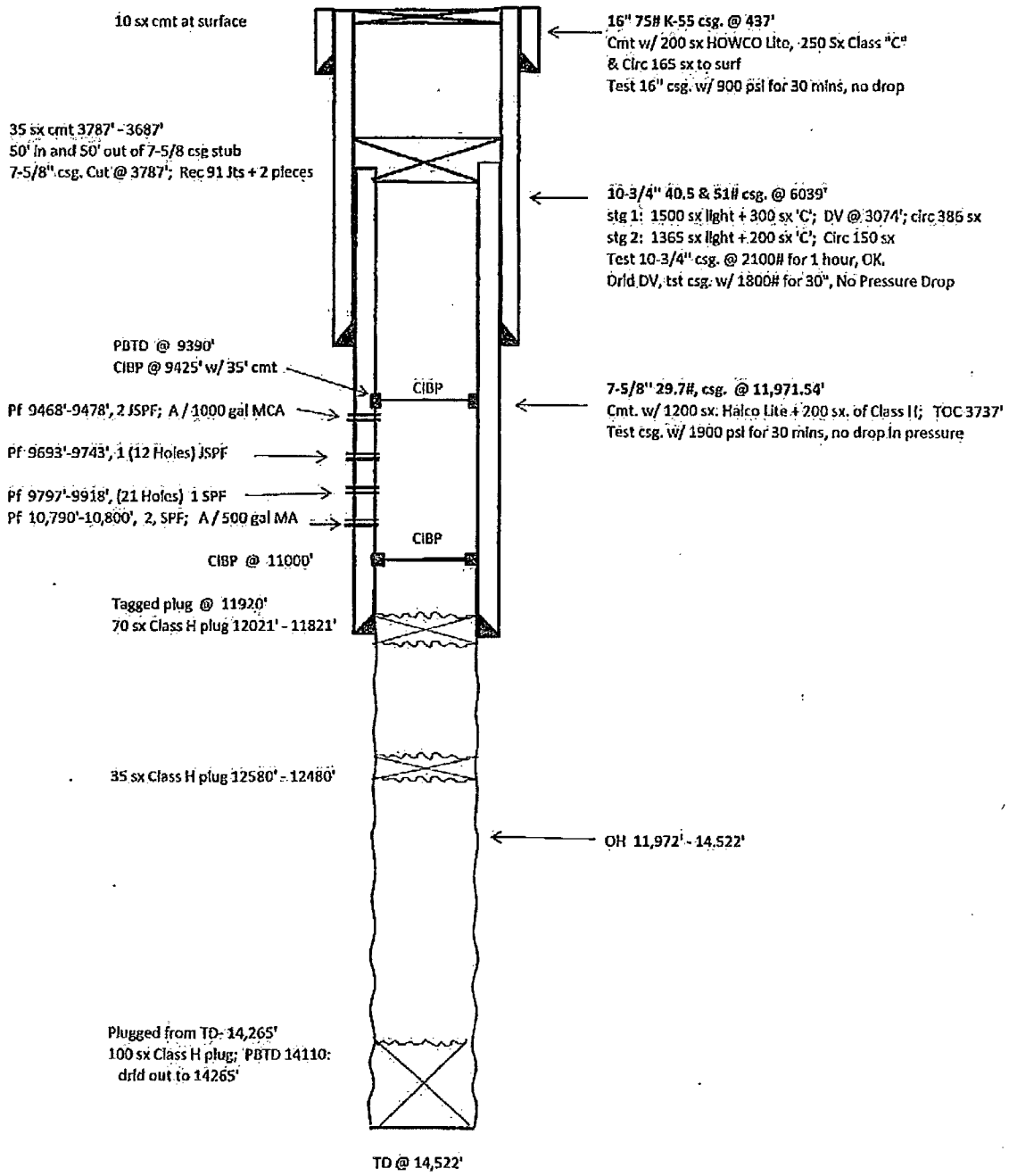
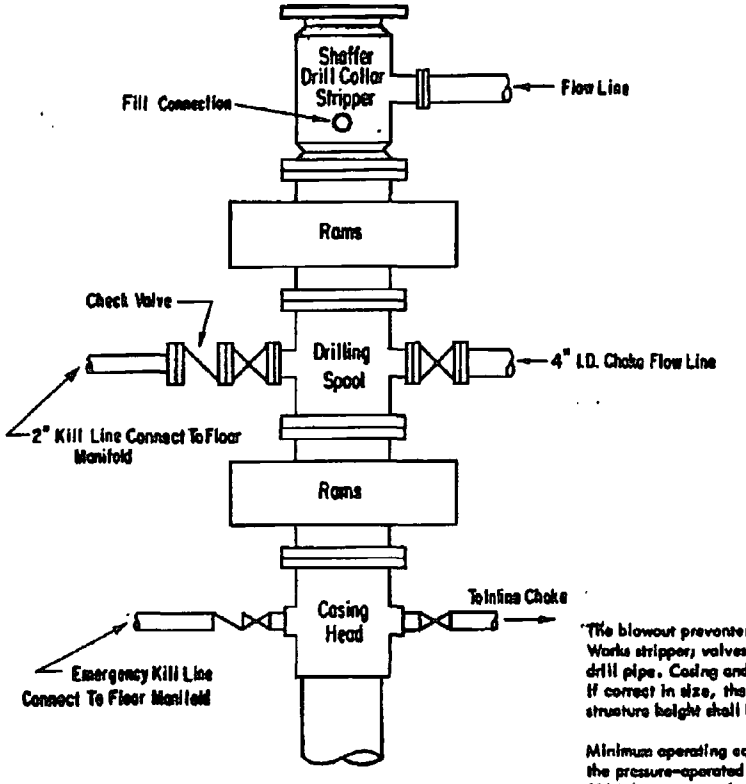
6) Drill through plug and continue drilling out to original TD at 14,522'.
7) Circulate old drill mud out, displace the hole and clean up open hole in preparation to run liner.
8) Run 4 1/2" 13.5#, 8rd, LTC, HCP110 csg liner and set at TD and top of liner will land at 11,900'
9) Rig down and move out and prepare to complete well.

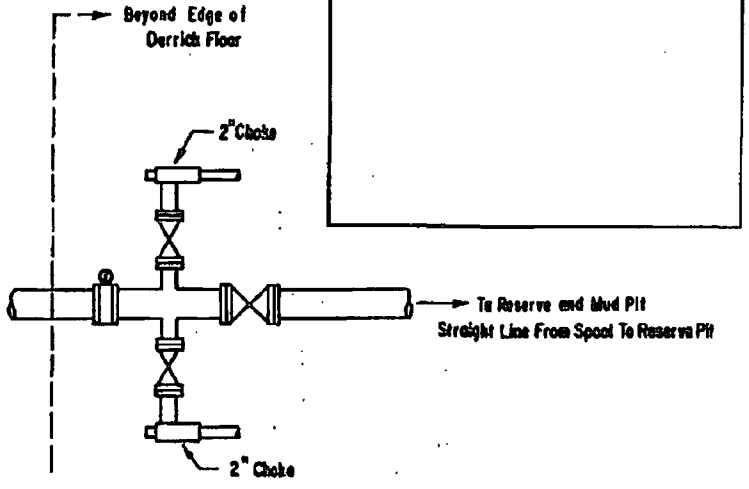
OPERATOR : AMTEX ENERGY, INC.	Name of Lease: Stock Unit 15 State COM
API: 30-025-24655	Well: 1 By: T.M.
LOCATION: Unit J, 1980 FSL & 1980 FEL, Sec. 15, T-21-S, R-33-E Lea County, New Mexico	
KB: 3853' GL: 3836'	



ADDITIONS – DELETIONS – CHANGES SPECIFY



3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

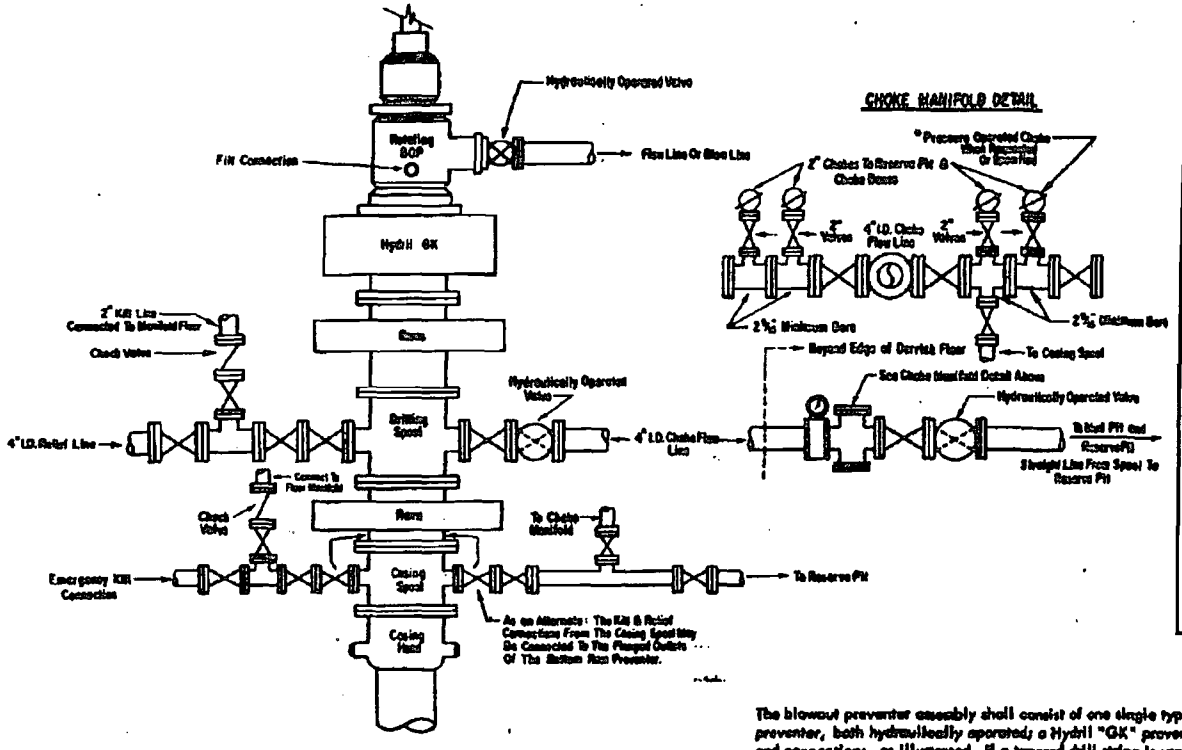


The blowout preventer assembly shall consist of one blind ram preventer and one pipe ram preventer, both hydraulically operated; a Shaffer Tool Works stripper; valves; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. The ram preventers may be two singles or a double type. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and kill line. The substructure height shall be sufficient to install a rotating blowout preventer.

Minimum operating equipment for the preventers shall be as follows: (1) Pump (s), driven by a continuous source of power, capable of closing all the pressure-operated devices simultaneously within____seconds. The pump (s) is to be connected to a closed type hydraulic operating system. (2) When requested, accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive a fluid charge from the above pump (s). With the charging pump (s) shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least____percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pump (s); or there shall be an additional pump (s) operated by separate power and equal in performance capabilities.

The closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided if a Hydril preventer is used. Gulf Legion No. 38 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valve connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.



5000# PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

ADDITIONS - DELETIONS - CHANGES SPECIFY

The blowout preventer assembly shall consist of one single type blind ram preventer and one single type pipe ram preventer, both hydraulically operated; a Hydril "GK" preventer; a rotating blowout preventer; valves; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and 4-inch I.D. relief line, except when air or gas drilling. All preventer connections are to be open-face flanged.

Minimum operating equipment for the preventers and hydraulically operated valves shall be as follows: (1) Multiple pumps, driven by a continuous source of power, capable of fluid charging the total accumulator volume from the nitrogen precharge pressure to its rated pressure within_____minutes. Also, the pumps are to be connected to the hydraulic operating system which is to be a closed system. (2) Accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive the aforementioned fluid charge. With the charging pumps shut down, the precharged fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within_____seconds after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least_____percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pumps or there shall be additional pumps operated by separate power and equal in performance capabilities.

The closing manifold and remote closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided for operating the Hydril preventer. When requested, a second pressure reducer shall be available to limit operating fluid pressure to ram preventers. Gulf Legion No. 35 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow lines, relief lines, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line, relief line, and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. If deemed necessary, walkways and stairways shall be erected in and around the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valves and relief line valves connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.

* To include derrick floor mounted controls.