State of New Mexico

Form C-103

rals and Natural Resources Department Revised 1-1-89 Energy, N OIL CONSERVATION DIVISION DISTRICT I P.O. Box 1980, Hobbs, NM 88240 WELL API NO. 2040 Pacheco St. 30-025-24949 NM 87505 Santa Fe, DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE X STATE DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well:
OIL
WELL [X] Record GAS WELL 8. Well No. Name of Operator Amtex Energy, Inc. 9. Pool name or Wildcat Address of Operator Pearl; Bone Spring P. O. Box 3418, Midland, Texas Well Location West North 660 Unit Letter E: 1980 Feet From The Feet From The Line 35E **19**S Lea 26 thip 195 Range 35E 10. Elevation (Show whether DF, RKB, RT, GR, etc.) **NMPM** Township Section 3715' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: **ALTERING CASING** PLUG AND ABANDON REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ABANDONMENT **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Reenter P&A'd Well and return to Production OTHER: 12. 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. 1/27/97 Dig out P&A'd well CSG and weld on new wellhead to the 16" casing; 2/04/97 MIRUSU; 2/05/97-2/11/97 Drill out various cmt. plugs and TD @ 10,848'; 2/12/97 Run 10,854' of 5.5"-17-N-80 Csg. (Stage tool at 8,392); 2/13/97 Pump cmt. as follows: Stage 1-766sx of Premium 50/50 Pozmix "A" with 2% gel, 6/7#/sx Microbond, 0.5% CFR-3, .25#/sx Flocele 0.6% Halad 9, Stage 2 - lead cmt. 925 sx Premium Plus and tail cmt. 300 sx Premium Neat; 2/14/97 RDMOSU; 3/24/97 MIRU Completion Unit; 4/02/97 Perf. 10,750'-10,790' and test x uneconomic; 4/06/97 Set CIBP @ 10,736' and Perf. 10,600'-10,650'; 4/07/97 Pump 6,000 gal. 20% Hcl Acid with 1200 SCF/Bbl. N₂ (40-50 quality foam); 4/08/97 SI well and wait on Prod. Equip.; 2/01/98-2/28/98 Ran Prod. Equip. to Production Test; 3/01/98 Potential Test for 7 BOPD, 1 BWPD and 1 MCFGPD. See attached Reentry and Completion Reports President SIGNATURE William J. Savage TYPE OR PRINT NAME (This space for State Using INAL SIGNED BY CHRIS WILLIAMS AUG 20 1999 DISTRICT I SUPERVISOR

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY-

AMTEX ENERGY, INC. P.O. BOX 3418

P.O. BOX 3418 MIDLAND, TEXAS 79702 (915)686-0847

February 14, 1997

Daily Reentry Report
Record Well No. 5
Originally the Dorchester Exploration Henry Record #2
1980' FNL and 660' FWL
Section 26, T-19-S, R-35-E
Lea County, New Mexico

Drilling Contractor:
Pride Petroleum Services
(800)798-9171

Well Depth: 10,850'"

Date	Operations Operations											
01/27/97	Locate plugged & abandoned well. Dig out wellhead with a backhoe. Build new 6'x 6'x 6' cellar.											
01/29/97	Blade off the location pad to remove brush and jackhammer concrete out of the 16" surface casing.											
01/30/97	Meet with contractor and Weatherford for prespud meeting and planning out the operations.											
01/31/97	Meet welder and cut off surface casing. Make 16" casing extension.											
02/01/97	Set anchors and test anchors. Move-in (MI) and set three steel mud tanks.											
02/02/97	Meet welder at location and weld a 16" - 3000 psi flange to the surface casing.											

Date

Operations

Note: Each daily drilling report is for the previous 24 hour record of operations ending at 6:00 a.m. on that report date.

02/04/97

MI rig up (RU) deep well (300,000 lb hook load) Service Unit (Pride Petroleum Services).

MIRU Weatherford drilling equipment and foam unit to drill out the surface casing. Prepare to commence drilling/reentry operations.

02/05/97

RU blow down line & dig reserve pit (w/dozer) x Set 3 steel tanks x RU power swivel x Pick up (PU) 14.75" bit & 3 - 4.25" drill collars (DC) x Commence drilling inside of 16" surface casing @ 12:00 noon, 2/4/97 x Drill 170' of cement down to 250' x Tag top of 9.625" intermediate casing (int. csg.) x Pull out of hole (POH) & take off 14.75" bit x Run in hole (RIH) w/8.5" bit x Couldn't get started into the 9-5/8" int. csg x POH x Pick up 7.875" bit, 1 DC, 14.75" stabilizer x RIH on 4.25" DC x Started into 9.625" int. csg x Drill down to 290' x Prepare to POH.

02/06/97

Total Depth (TD) 0 report time: Operations: Pick up (PU) 8.5" bit x RIH on 4.25" DC x PU swivel x Started into 9-5/8" csq x Drill cement down to 350' x Rig down (RD) swivel x RIH w/DC (Total of 18 DC) x PU 3.5" -N80 - 8Rd work string (WS) x RIH x Tag cement @ 880' x PU swivel x Drill 60' of cement x Fell thru x RD swivel x PU 3-1/2" WS x RIH x Tag cmt 0 1000' x PU swivel x Drill cement to 1330' x Fell thru x RD swivel x PU 3.5" WS x RIH to 1390'. Operation @ Report Time: PU 3.5" WS x RIH

02/07/97

TD @ Report Time: 4630', Operations: PU x RIH w/3.5" WS down to 4535' x Displace hole w/10# brine water x POH standing pipe in derrick (64 stds DP x 18 DC) x Nipple down (ND) wellhead x Nipple-up (NU) blow out preventor (BOP) x Raise up the substructure x Install rotating head x PU 8.5" bit x RIH on 64 stds x 18 DC x PU 3.5" WS x RIH to 4577' x Tag cmt x PU power swivel x drill cmt down to 4630'; Operations at report time: Drilling Cement.

Date

Operations

02/08/97

TD @ Report Time: 6520', Operations: Drill cement out of 9.625" csg set @ 5002' x Drill out of cmt @ 5017' x RIH to 5070' x Circ clean x RIH to 6520' x Circ hole clean x POOH x ND BOP; Operations @ Report Time: Welding on 9.625" wellhead.

02/09/97

TD @ Report Time: 7557', Operations: Finish welding on wellhead x NU BOP x Rotating head x PU 8.5" bit x RIH on 18 DC x 195 jts of 3.5" WS x Tag @ 6677' x PU swivel x Drill from 6677' to 6739' x Circ hole clean x RIH to 7304' x Experience drag x Circ x Clean out to 7410' x Tag cmt x PU swivel x Drill cmt down to 7557'; Operations @ Report Time: Drilling Cement.

02/10/97

TD @ Report Time: 10,788', Operations: Drill cmt from 7557' to 7810' x Fell through x RIH x Circ hole x Pump mud sweep x Circ hole clean x Bottoms up circ heavy oil & gas cut mud to pit x RD swivel x RIH w/2 jts of 3.5" N80 WS x Set down @ 7936' x Change out Rotating head rubber x PU swivel x Drill cmt stringers down to 7999' x Circ 15 min x RD swivel x RIH w/3.5" WS down to 10,001' x PU swivel x Circ hole clean x Bottoms up circulated oil & gas cut mud to pit x RD swivel x RIH w/3.5" WS down to 10,295' x PU swivel x RIH w/3.5" N80 WS x Wash & Ream down to 10,788'; Operations @ Report Time: Washing & Reaming through open hole.

02/11/97

TD @ Report Time: 10,848', Operations: Wash & Ream down to 10,800' x Tag cmt x Drill cmt from 10,800' to 10,848' x Final TD @ 10,848' x Circ clean x Short trip up to 8500' x RIH back down to TD x Jet pits x Clean out during short trip x Displace hole w/clean 10# Brine water x Jet old mud to reserve pit x Pump mud sweep x Circ around x Turn into steel pits after clean fluid is circ all the way around x RU Lay Down (LD) machine x POH LD 3.5" N80 WS; Operations @ Report Time: LD 3.5" N80 WS.

Date

Operations

02/12/97

TD: 10,848', Operations: Finish LD 3.5" N80 WS x RU csg crew, tongs & equipment x Move 3.5" N80 WS off of rack x Unload, rack & talley the 5.5" 17# N80 csg x PU csg x Install float shoe & 1 jt of csg & float collar x RIH w/62 jts of csg above float collar x Install stage tool @ 8392' x Run 206 jts of csg above stage tool x Ran total of 10,854' of 5.5" 17# N80 csg x RU Halliburton x Pump csg capacity to clear float shoe; Operations @ Report Time: Prepare to pump 1st stage of primary cement job.

02/13/97

TD: 10,848', Operations: Begin pumping cement job by the following schedule:

- 1. Pumping 100 bbls of 10# Brine ahead.
- 2. 30 bbls preflush of 100 sx Pozmix "A" with 0.87 lb/sk MF-1, 0.5% CFR-3 and 0.4% HR-5 mixed with fresh water.
- 3. 10 bbls fresh water spacer.
- 4. 24 bbls (1000 gal.) of Superflush 102.
- 5. 10 bbl fresh water spacer.
- 6. Pump 766 sx of Premium 50/50 Pozmix "A" with 2% Gel, 6.7 lbs/sk MicroBond, 0.5% CFR-3, .25 lb/sk Flocele 0.6% Halad 9.
- 7. Shut down pumping and drop plug.
- Displace with 247 bbls x Land plug in float collar.
- Drop bomb to land in stage tool.
- 10. Open stage tool.
- 11. Circ. cmt above stage tool to surface and circulated 360 sx to pit.
- 12. Circulate 6 hours before pumping 2nd stage.
- 13. Pump 2nd stage lead cement of 925 sx Premium Plus.
- 14. Pump 2nd stage tail cement of 300 sx Premium Neat.
- 15. Shut down pumping and drop plug.
- 16. Displace with 193 bbls x Land plug and close stage tool. Cement job complete x RD Halliburton x Halt 24 hr. operations x Shut down due to weather conditions of freezing rain and snow with ice on the roads.

Daily Reentry Report Record #5 Page 5

Date

Operations

02/14/97

TD: 10,848', Operations: Set slips on 5.5", 17#, N80 casing and cut-off csg and seal up wellhead and weld cap on the 5.5" casing x Nipple down tree (spools, BOP and Rotating Head) x RD Weatherford and RD & MO Pride Petroleum Services Rig x Release all Rental Equipment and truck all equipment out from location and Reentry operations complete.

FINAL REPORT

1997\rec5reentry.rpt

AMTEX ENERGY, INC.

P.O. BOX 3418 MIDLAND, TEXAS 79702 (915) 686-0847

March 24, 1997

Daily Completion Report

Record Well No. 5

Originally the Dorchester Exploration Henry Record #2 1980' FNL and 660' FWL Section 26, T-19-S, R-35-E

Lea County, New Mexico

Completion Unit Contractor: Lucky Services, Inc. (505)392-1547

Well Depth: 10,848'

Phone Numbers for Bill Savage: office (915)686-0847; mobil

(915)557-3277; fax (915)686-0994.

Date Operations

03/24/97 Move In Rig Up (MIRU) service unit on the Amtex Shell Record Well No. 2 x Pull out of hole (POOH) lay down (LD) 175 joints (jts) of 2-7/8" N80 tubing (tbg), seat nipple and 7" packer x Nipple up (NU) to shut in (SI) and shut down (SD).

03/25/97

MIRU mobil inspection unit @ Record Well No. 5 \times Begin field inspection of 2-7/8" N80 tbg. Unable to rig down (RD) due to high wind @ Record Well No. 2 \times At 12:00 noon wind died down \times Rig down move out (RDMO) service unit \times MIRU service unit on the Record Well No. 4 \times POOH LD rods & pump \times Nipple down well head (NDWH) \times SI well.

03/26/97

Road to location @ Record Well No. 4 x RU to pull tbg x POOH w/160 jts of 2-7/8" N80 tbg, seat nipple, perforated sub and mud anchor x RIH w/1 jt of 2-7/8" N80 (Red Band) tbg x NU well to SI x RDMO service unit x MIRU service unit on the Record Well No. 5. Continue mobil inspection x Finish field inspection of the tbg from Record Well Nos. 2 & 4 x Recovered 297 jts of 2-7/8" N80 which tested yellow band; therefore, we are having to purchase only 54 jts of used inspected yellow band 2-7/8" N80 tbg x SD.

Daily Completion Report Record No. 5 March 24, 1997 Page 2

03/27/97

Road to location on the Record Well No. 5 x Installed 5-1/2" X 2-7/8" wellhead x Installed BOP x Begin PU 2-7/8" N80 6.5 pound per foot (ppf) yellow band tbg x RIH w/110 jts of tbg x SD due to high wind.

03/28/97

Shut Down.

03/29/97

Shut Down.

03/30/97

Shut Down.

03/31/97

Road to location x PU 2-7/8" N80 tbg x RIH x Reverse unit arrived @ 8:00 am and POH w/tbg x PU 4-3/4" bit, 6 - 3-1/2" DC, SN x RIH on 2-7/8" tbg x Continue PU tbg x Tag up on cmt on top of DV tool x Drill-out DV tool x Pressure test csg to 1000 psi x Held ok x PU 2-7/8" tbg x RIH x Tag up on cmt on top of float collar x Drill cmt down to 10,873' x Circ hole clean x Pressure test csg to 1000 psi and hold pressure for 10 min. x Held ok x SI well.

NOTE: Since the DOTD @ 10,873' is deeper than the drillers TD @ 10,848' we will strap out of the hole and RU Western Atlas to run the Segmented Cement Bond Log.

04/01/97

Road to location x POOH w/2-7/8" tbg, 6 DC's, 4-3/4" bit x Tally standing back tbg to check PBTD (Tally showed PBTD @ 10,810') x RU Western Atlas X Ran Segmented Cement Bond Log (CBL) x Loggers TD @ 10,804' (therefore, drilling out was ok & 1st tally was incorrect) x Run repeat over bottom @ TD (10,500' - 10,800') x Cement bond was poor x Pressure up csg to 1500 psi x Hold pressure while running CBL x Run CBL from 10,800' up to 7500' (with 1500 psi on csg) x Found good cmt bond x Therefore, we have a microannulus which could not be squeezed; x RD loggers x RIH w/2-7/8" tbg to 9000' x RU swab x SI.

04/02/97

Road to loc x Swab fluid in csg down to 2000' from surface x Swab mandrel broke & fell to seat nipple x LD swab x RU to pull tbg x POOH x Change out BOP x RU Western Atlas to perforate x RIH in 2 runs x Perforate from 10,750' to 10,790' using a 4" OD Casing Gun and Alpha Jet Perf Charges (Penetration depth: 29") x 2 JSPF x 81 total holes x RD perforators x PU 4 jts of 2-7/8" tailpipe x Baker Model R Treating Packer & SN x RIH on 2-7/8" N80 tbg x SD.

Daily Completion Report Record No. 5 March 24, 1997 Page 3

04/03/97

Road to location x RU to acidize x Pump 500 gal of 15% HCL acid to Pickle tbg x Flush w/62 bbls of wtr x Switch to pump down csg x Pump 500 gal of acid to Reserve Pit x RU to pump acid down tbg x Spot 2 bbls of acid across perfs at 10,750' - 10,790' x PU pkr x Set pkr @ 10,540' x Pump to break down the perfs x Broke down @ 3,200 psi pumping 1.5 BPM x Start acid x Pump 4000 gal 15% NEFE acid @ 4-5 BPM x Max press 3900 psi x Drop 150 ball sealers x Saw good ball action but did not ball-out x Flush w/2% KCL wtr to bottom perf x ISIP = 3,300 psi x 15 min SIP = 3,200 psi x RU to flow back x Flow back for 1.0 hr x RU swab x Swab fluid down to 9000' from surface x Shut-in well x Recovered approx 160 BLW x 60 BLW to recover.

04/04/97

Road to location x 0 psi shut-in well pressure x RIH x FL @ 7,000' from surface x Made 1 swab run x Recovered 1 BO x 5 BLW x Rig engine blew head gasket x Shut-in well x Shut-down waiting on rig to be repaired.

04/05/97

Road to location x 0 psi shut-in well pressure x RIH x FL @ 7,000' from surface x Made 6 swab runs down to seat nipple x Wait 1 hr. x RIH w/swab x found 250' of fluid entry x Wait 1 hr x RIH x found 250' of fluid entry x Swab x Recover some oil x load water x Caught samples x samples are 10-20% oil cut and 80-90% load wtr x made 1 more swab run x Shut-in well x Shut down x Rec approx. 45 BLW x 10 BLW to recover.

04/06/97

Road to location x 0 psi shut-in well pressure x RIH x FL @ 9,000' from surface x made 2 swab runs x sample showed 20% oil x 80% load water x RD swab x Unset pkr x POH w/2-7/8" tbg x SN x Pkr x LD 4 jts of tail pipe under packer x RU wireline truck x RIH x Set CIBP @ 10,736' x Spot 3 bbls of 15% HCL acid from 10,650' - 10,530' x PU perf gun x RIH in 2 runs x Perf in acid from 10,600' - 10,650' with 2 JSPF (50' x 101 holes) Alfa Jet perf charges x RD wireline x Shut-in well x Shut-down.

Daily Completion Report Record No. 5 March 24, 1997 Page 3

04/07/97

Road to location x PU 1 jt of 2-7/8" tailpipe x Baker Model R, 5.5" treating pkr x SN x 2-7/8" N80 tbg x RIH & set pkr @ 10,520' x RU acid trucks x Camco Nitrogen Truck x Pump 6000 gal of 20% HCL acid w/Nitrogen pumped @ 1200 SCF per bbl x This yields approx 40-50 quality foamed acid x Fluid trtg rate is 3 BPM x Foamed acid rate is 5.8 BPM x Prop 200 ball sealers (1.3 sg) & max trtg. pr. = 5,100 psi x ISIP = 4300 psi x 5 min SIP = 4200 psix RD acid trucks x RU x Flow back 2 hrs x PU swab x RIH x Swab x Flow back load x Recovered approx 120 BLW x 130 BLW remaining to recover x Shut-in. Note: Swab rope socket broke @ 10:30 p.m. x fell down to the seat nipple.

04/08/97

Road to location; SITP = 710 psi x Open well up xRU swab x RIH x found fluid level @ 3500' from surface x RIH x Made 27 swab runs x Last run the fluid level was 7400' from surface x Samples ranged from 40%-60% oil cut x Recovered 60 BLW x Approx 30 bbls formation wtr x Approx 15 BO x Shut-in well x Shut down.

04/09/97

Road to location; SITP = 145 psi x Open well up x RU swab x RIH x Found fluid level @ 7000' from surface x RIH x Made 13 swab runs x Last run fluid level was @ 9800' from surface x Sample ranged from 25% - 60% oil cut x Recovered 26 BW x 8 BO x Fluid entry rate estimated @ 300' per hour (2 BPH) x SI x SD.

04/10/97

Road to location; SITP = 140 psi x Open well up xRU swab x RIH x Found fluid level @ 7000' from surface x RIH x Made 9 swab runs x Last run fluid level was @ 9800' from surface x Sample ranged from 20% - 50% oil cut x Rec 36 bbls formation water (BFW) x 5 BO x SI x RDMO.

Note: We will monitor surface pressure build up in $\overline{14-21}$ days and will run dip in BHP. Additionally, we will have a water analysis run on fluid sample and will give follow-up report at that time.

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Tubing Tally for running production equipment.