

Amazing Energy Drills Amazing Well

Source: Bob Moriarty for *Streetwise Reports* (3/7/18)



Bob Moriarty of *321 Gold* does the math for an energy company drilling in the Permian Basin and finds it pretty impressive.



Amazing Energy

Amazing Energy Oil & Gas Co. (AMAZ:OTCQX) drilled an oil well they named WWJD #23 in Pecos County in the Permian Basin to a depth of 1,997 feet and encountered 44 feet of pay in the targeted Queen A formation. They own about 70% of the well and their cost was \$300,000.

The **company just announced numbers on the well**. While the well tested at 120 BOEPD, Amazing plans on restricting the well to 50 BOEPD while testing flow rates, oil and gas production and water cut. The company has 22 wells in the same formation in the area they plan work overs. The WWJD #23 is a well designed for determining the science of their land position but obviously is revenue producing.

Here is what it means in simple math. Today's production for Amazing is 70% of 50 BOEPD or 35 BOEPD. Lifting costs are about \$10 so Amazing is generating about \$1750 per day in net income. That works out to about \$630,000 income per year on a well that only cost \$300,000. That's a 200% ROI. But it gets even more amazing.

A barrel of flowing oil is worth about \$54,000 in the Permian Basin. So Amazing's 35 BOEPD is worth about 35 times \$54,000 if sold today or \$1,890,000 on a cost of only \$300,000. That is a 530% ROI.

Amazing plans on drilling another 15 wells this year of a similar nature and intends to recomplete the 22 existing wells on their ground.

On the 6th of March Amazing announced drilling and logging of yet another well, this one called the WWJD #31 drilled to a 4,000 feet depth. Amazing is working on the scientific evaluation of this well and plans to deepen or complete once tests are finished.

The company holds an amazing 70,000 square acres or 109 square miles in the Permian Basin with potentially thousands of drill locations. Baker Hughes did a March 2017 report showing \$15.3 Billion Probable Reserves on all 70,000 acres. Amazing's goal for 2018–2019 is to drill two vertical wells per month with an IP rate of 50 BOEPD and one horizontal well every three months with an IP rate of 300 BOEPD. Starting in 2020 Amazing wants to drill four vertical wells per month and one horizontal well. They predict a decline rate of 15% for both horizontal and vertical wells.

When you work out the numbers, they are amazing. With a market cap today of under \$50 million, the company price doesn't reflect the future value. Look for more and more news flow. And oil flow while they are at it.

Amazing is an advertiser and I am biased. I participated in the latest PP. The company is aggressively moving forward with drilling and deals and one day soon the market will get it.

Amazing Energy Oil and Gas

AMAZ OTCQX \$0.60 (Mar 07, 2018)

80.5 million shares

Amazing Energy **website**

***Bob** and Barb Moriarty brought 321gold.com to the Internet almost 16 years ago. They later added 321energy.com to cover oil, natural gas, gasoline, coal, solar, wind and nuclear energy. Both sites feature articles, editorial opinions, pricing figures and updates on current events affecting both sectors. Previously, Moriarty was a Marine F-4B and O-1 pilot with more than 832 missions in Vietnam. He holds 14 international aviation records.*