

Form 3160-3
(July 1992)

N.M. Oil Cons. Division
811 S. 1ST ST.

ARTESIA, NM 88210-2044

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

2. NAME OF OPERATOR

PENWELL ENERGY INC. 147380 (BILL PIERCE)

3. ADDRESS AND TELEPHONE NO.

1100 ARCO BUILDING 600 N MERINFELD MIDLAND, TEXAS 79701

Phone 915-683-2534

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

1980' FNL & 2080' FEL SEC. 30 T18S-R31E EDDY CO. NM

At proposed prod. zone SAME

Unit 6

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 7 miles Southeast of Loco Hills New Mexico

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. well line, if any)

1980'

16. NO. OF ACRES IN LEASE

470

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

500'±

18. PROPOSED DEPTH

10,500'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3615' GR.

22. APPROX. DATE WORK WILL START*

As soon as approved

23.

PROPOSED CASING AND CEMENT PROGRAM

CAPITAN CONTROLLED WATER BASIN

SIZE OF HOLES	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	20" Conductor	.25 Wall Thick.	40'	Cement to surface/Redi-mix
17½"	H-40 13 3/8"	48	450'	400 Sx. Class "C" + 3% CaCl
12½"	J-55 8 5/8"	32	2800'	1000 Sx Class "C" Circulate to
7 7/8"	N-80 5½"	17	10500'	1050 Sx Two stage job

1. Drill 25" hole to 40'. set 40' of conductor pipe cement to surface with Redi-mix.
2. Drill 17½" hole to 450'. Run and set 450' of 48# H-40 13 3/8" ST&C casing. Cement with 400 Sx. Class "C" + 3% CaCl circulate cement to surface.
3. Drill 12½" hole to 2800'. Run and set 2800' of 8 5/8" J-55 32# ST&C casing. Cement with 700 Sx. Class "C" light tail in with 300 Sx. Class "C" neat + 2% CaCl circulate cement to surface.
4. Drill 7 7/8" hole to 10,500'. Run and set 10,500' of 5½" 17# N-80 LT&C casing. Cement 1st stage with 450 Sx. Class "H" cement with additives. DV tool set at 6800'± cement 2nd stage with 400 Sx. Class "C" light + additives tail in with 200 Sx. Class "C" light + additives bring cement back to 2600'± into 8 5/8" casing.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present production and proposed new production zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give block diagram of program, if any.

24.

SIGNED

Tony L. Ferguson

TITLE Agent

DATE 03/19/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY (ORIG. SGD.) TONY L. FERGUSON

TITLE

ADM MINERALS

DATE

4-2-97

*See Instructions On Reverse Side