

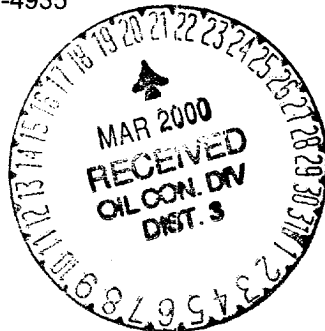
LIMARK CORPORATION

Robert W. Hodge
Vice President

P. O. Box 10708
Midland, Texas 79702-7708
(915) 684-5765 (FAX) 684-5959

March 8, 2000

Bureau of Land Management
Attn: Patricia M. Hester
435 Montano Rd. N.E.
Albuquerque, NM 87107-4935



Re: Penwell- Federal 27-1 Well
E/2 Sec. 27, T20N, R4W,
Sandoval County, NM

Dear Ms. Hester,

Please be advised that Limark Corporation sold the referenced well to Penwell Energy, Inc. effective August 1, 1999. A copy of the Assignment of Record Title is enclosed. I have notified Pennwell and asked that they take care of the problems as stated in your letter.

Please remove Limark Corporation as operator of this well from your files. Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. W. Hodge".

Robert W. Hodge

ACCEPTED FOR RECORD

MAR 17 2000

Cc: Penwell Energy, Inc.
Attn: John Bergman
600 N. Marienfeld, Suite 1100
Midland, TX 79701

RECEIVED
BLM
00 MAR 10 AM 10:17
000 ALBUQUERQUE, N.M.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: July 31, 1995

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.
NM-98716

Lease Effective Date
(Anniversary Date)

June 1, 1997

New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Penwell Energy, Inc.
Street 600 N. Marienfeld, Suite 1100
City, State, ZIP Code Midland, Texas 79701

*If more than one assignee, check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	b	c	d	e	f
Section 27: E/2 T-20-N, R-4-W, NMPM, Sandoval County, New Mexico Containing 320.00 acres	100.00 %	100.00%	0%	0%	0.25% of 8/8ths

FOR BLM USE ONLY—DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

☒ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective SEP 01 1999

☐ Assignment approved for land description indicated on reverse of this form.

By Rosa M. Rivera

LAND LAW ASSISTANT SEP 21 1999
FLUIDS ADJUDICATION TEAM