

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 70 Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-104
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|------------------------|
| Operator name and Address Penwell Energy, Inc. 600 N. Marienfeld, Ste 1100 Midland, TX 79701 | | OGRID Number 147380 |
| Reason for Filing Code NW | | |
| API Number 30-015-29475 | Pool Name Rustler Bluff ATOKA SAND | Pool Code 84355 |
| Property Code 20663 | Property Name Chimayo Unit | Well Number 1 |

II. ¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 8 | 25-S | 29-E | | 660 | South | 1980 | EAST | EDDY |

¹¹ Bottom Hole Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 8 | 25-S | 29-E | | 660 | South | 1980 | EAST | EDDY |

| | | | | | |
|----------|-----------------------|---------------------|---------------------|----------------------|-----------------------|
| Lee Code | Producing Method Code | Gas Connection Date | C-129 Permit Number | C-129 Effective Date | C-129 Expiration Date |
|----------|-----------------------|---------------------|---------------------|----------------------|-----------------------|

III. Oil and Gas Transporters

| Transporter OGRID | Transporter Name and Address | POD | O/G | POD ULSTR Location and Description |
|-------------------|------------------------------|---------|-----|------------------------------------|
| 13382 | LG&E Pipeline | 2819883 | G | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

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IV. Produced Water

| | |
|-----|------------------------------------|
| POD | POD ULSTR Location and Description |
|-----|------------------------------------|

V. Well Completion Data

| Spud Date | Ready Date | TD | PBTD | Perforations |
|-----------|----------------------|-----------------------|--------------|--------------|
| 6-5-97 | 10-8-97 | 14,050' | 12,980' | 12,450-12456 |
| Hole Size | Casing & Tubing Size | Depth Set | Sacks Cement | |
| 26" | 20" | 657' Post TD-2 900 at | | |
| 17 1/2" | 13 3/8" | 2875' 6-19-98 | 2450 at | |
| 12 1/4" | 9 5/8" | 10208' comp | 375 at | |

VI. Well Test Data

| Date New Oil | Gas Delivery Date | Test Date | Test Length | Tbg. Pressure | Cag. Pressure |
|--------------|-------------------|-----------|-------------|---------------|---------------|
| 10-8-97 | | 3-30-98 | 24 | 700 # | |
| Choke Size | Oil | Water | Gas | AOF | Test Method |
| 21/64" | 0 | 0 | 695 | | Flowing |

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Linda Walker
 Printed name: LINDA WALKER
 Title: Regulatory Analyst
 Date: 5/25/98
 Phone: 915-683-2534

OIL CONSERVATION DIVISION
 Approved by: Sign. W. Burns B6A
 Title: District Supervisor
 Approval Date: 6-16-98

* If this is a change of operator fill in the OGRID number and name of the previous operator--

| | | | |
|-----------------------------|--------------|-------|------|
| Previous Operator Signature | Printed Name | Title | Date |
|-----------------------------|--------------|-------|------|