Submit 3 Copies to Appropriate District Office	State of New Mexico Energy, Minerals and Natural Resources Department		Form C-103 657 Revised 1-1-89	
DISTRICT I P.O. Box 1980, Hobbs, NM 88240 DISTRICT II	OIL CONSERVATION DIVISION 310 Old Santa Fe Trail, Room 206 [] W E Santa Fe, New Mexico 87503		АРІ NO. -015-29776	
P.O. Drawer DD, Anesia, NM 88210 <u>DISTRICT III</u> 1000 Rio Brazos Rd., Aztec, NM 87410		SEP - 2 <b>1997</b> -	5. Indicate Type of Lease STATE X FEE 6. State Oil & Gas Lease No. V-4070	
( DO NOT USE THIS FORM FOR PRO DIFFERENT RESENT	ICES AND REPORTS ON WELLS OPOSALS TO DRILL OR TO DEEPEN OR F RVOIR. USE "APPLICATION FOR PERMIT -101) FOR SUCH PROPOSALS.)	PLUGBACKTOA	7. Lease Name or Unit Agreement Name	
1. Type of Well: OL GAS WELL GAS WELL X	OTHER		SOUTHERN CROSS "16" STATE	
2. Name of Operator PENWELL ENERGY, INC.	(BILL PIERCE)		8. Well No. 1	
3. Address of Operator 600 NORTH MARIENFELD S	UITE 1100 MIDLAND, TEXAS	2 7 9 7 0 1 I	9. Pooi name or Wildcat UND. NORTH ANTELOPE SINK MORROW	
4. Well Location Unit Letter: 990 '	Feet From TheWEST			
l 6 Section	18S Township Range		APM EDDY County	
	10. Elevation (Show whether DF, )	<i>RKB</i> , <i>RT</i> , <i>GR</i> , <i>etc.</i> ) 3800'	GR	
11. Check A NOTICE OF INT	Appropriate Box to Indicate Natu ENTION TO:	ure of Notice, Rep		
		EMEDIAL WORK	ALTERING CASING	
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT				
PULL OR ALTER CASING	CA			
OTHER:	От	[HER:		

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. Penwell Energy, Inc. requests the permission to alter casing program to drill 14 3/4"
  hole to 1250' and run 9 5/8" 36# J-55 ST&C casing to 1250'.
- 2. Drill with fresh water mud and cement casing to surface.
- 3. Original plan was to drill  $17\frac{1}{2}$ " hole to 350' and set 13 3/8" and cement to surface, and drill  $12\frac{1}{4}$ " hole to 1200' and set 8 5/8" casing to 1200' and cement to surface.

Notify N.M.O.	C.C. in sufficient time $S/_{S'}$ ( $CS_{C}$	to witness	
I hereby certify that the information above is true and complete to the best of my knowled SIGNATURE	•		08/29/97
TYPE OR PRINT MARIE JOE T. Janica		TELEPHONE NO.	505-392-2112
(This space for State Use) ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR CONDITIONS OF APPROVAL, IF ANY:	TITLE		SEP 9 1997