

N. M. Oil Co.

811 S. 1ST ST.

ARTESIA, NM 88210-2004

SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

FORM APPROVED

OMB NO. 1804-0136

Expires: February 28, 1995

Form 3160-3
(July 1992)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

12
MAR 07 1997
OIL CON. DIV.

1a. TYPE OF WORK **DRILL** ☒ **DEEPEN** ☐ 2-12-97 RDM

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE BORE ☐ MULTIPLE BORE ☐

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 817-283-2534

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1980' FSL & 1980' FWL SEC. 30 T18S-R31E NEW MEXICO
At proposed prod. zone SAME EDDY CO.

5. LEASE DESIGNATION AND SERIAL NO.
LC-029387-30

6. INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. BARNER LEASE NAME WELL NO.
WEST SHUGART "30" FEDERAL # 2 19509

9. API WELL NO.
30-015-29429

10. FIELD AND POOL, OR WILDCAT
WILDCATS Shugart, Wokcamp, 7686

11. SEC., T., R., N., OR B.L. AND SURVEY OR AREA
SEC. 30 T18S-R31E

12. COUNTY OR PARISH
EDDY CO.

13. STATE
New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
Approximately 7 miles Southeast of Loco Hills new Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit 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. 200'±

19. PROPOSED DEPTH
10,500'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3579

22. APPROX. DATE WORK WILL START
As soon as approved

23. PROPOSED CASING AND CEMENTING PROGRAM				
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" Neat/3% CaCl.
12¼"	J-55 8 5/8"	32	2800'	1000 Sx Class "C" Circulate to S
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" + 2% CaCl, circulate cement to surface.
3. Drill 12¼" 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.

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

24. SIGNED Joe T. Garcia TITLE Agent DATE 02/10/97

(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 C. FERGUSON TITLE ADM. MINERALS DATE 2.10.97

*See Instructions On Reverse Side