

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

SINGLE

☒

ZONE

MULTIPLE

ZONE ☐

2. NAME OF OPERATOR

PENWELL ENERGY, INC. 147380 (BILL PIERCS) 915-683-2534

3. ADDRESS AND TELEPHONE NO.

600 NORTH MARIENFELD SUITE 1100 MIDLAND, TEXAS 79701

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

At surface 660' FSL & 1980' FWL SEC. 19 T18S-R31E EDDY CO. NM

At proposed prod. zone SAME

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 drlg. unit line, if any)

660'

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

330'

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

3620' GR.

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	Cement to surface with Redi-mix
17½"	H-40 13 3/8"	48	450'	400 Sx. Circulate to surface
12¼"	J-55 8 5/8"	32	2800'	1000 Sx. Circulate to surface
7 7/8"	N-80 5½"	17	10,500'	1050 Sx. cement in two stages.

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 450'. Run and set 450' of 13 3/8" H-40 48# ST&C casing. Cement with 400 Sx. of Class "C" cement + 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. of Class "C" Light cement, tail in with 300 Sx. of Class "C" + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 10,500'. Run and set 10,500' of 5½" N-80 17# LT&C casing. Cement 1st stage with 450 Sx of Class "H" Premium cement + additives, DV Tool at 6800'± cement 2nd stage with 400 Sx. of Class "C" Light cement + additives, tail in with 200 Sx. of Class "C" premium cement + additives, estimate top of cement 2600'.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND

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 blowdown logs.

SPECIAL STIPULATIONS

ATTACHED

SIGNED

TITLE Agent

DATE 02/06/98

(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:

(ORIG. SGD.) ARMANDO A. LÓPEZ

ADM, MINERALS

MAR 06 1998

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side