Form 3160-5 (June 1990) UNITED STATES
DEPARTMENT OF THE INTERIOR
RUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31. 1993

BUKEAU UF	I AND MANACEMENT	Expires: March 31, 1993
BUREAU OF LAND MANAGEMENT  SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  Use "APPLICATION FOR PERMIT-" for such proposals		5. Lease Designation and Serial No. NM-98173
		6. If Indian, Allottee or Tribe Name
Use "APPLICATION FO	DR PERMIT-" for such proposals	
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
. Type of Well Gas		0.34-1131
Well Well Other		8. Well Name and No.
2. Name of Operator  Population Financial Inc.		Millman SE Federal #1
Penwell Energy, Inc.  3. Address and Telephone No.		9. API Well No.
3. Address and Telephone No. 600 N. Marianfald, Suita 1100, Midland, TV 70701, 015, 693, 2534		30-015-30376
600 N.Marienfeld, Suite 1100, Midland, TX 79701, 915-683-2534		10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Parkway Morrow West
2310' FNL & 660' FWL, Sec. 33, T-19S, R-29E		11. County or Parish, State
		Eddy County, New Mexico
2. CHECK APPROPRIATE BOX(s	) TO INDICATE NATURE OF NOTICE, REPORT, C	R OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
	Casing Repair	Water Shut-Off
Final Abandonment Notice	Altering Casing	Conversion to Injection
Final Abandonment Notice		Conversion to Injection
	Other Run Intermediate Casing	Dispose Water     (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
3. Describe Proposed or Completed Operations (Clearly st directionally drilled, give subsurface locations and meas 10/01/98 Ran 70 jts, 8 5/8", 32#, J-55, 8rd, 3 Zone-Lok followed by 1,000 gals fresh wtr. fol 8:00 AM MST, 9/30/98. Cmt'd 2nd stage w/3	A Other Run Intermediate Casing  tate all pertinet details, and give pertinent dates, including estimated date sured and true vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones getting and zones depths for all markders and zones gettinent to this vertical depths for all markders and zones gettinent to this vertical depths for all markders and zones gettinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to this vertical depths for all markders and zones pertinent to the pert	Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) of starting any proposed work. If well is work.)*  3. cemented w/500 gals. 'C" Neet. PD to 2,978' w/650# @ D to 1,597' w/200# @ 9:30 AM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.