

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No. V-4439
Lease Name or Unit Agreement Name HACKBERRY "31" STATE
Well No. 1
Pool name or Wildcat HAPPY VALLEY MORROW

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	
Name of Operator PENWELL ENERGY, INC.	
Address of Operator 600 N. MARIENFELD, STE 1100, MIDLAND, TEXAS 79701	
Well Location Unit Letter <u>H</u> : <u>1980</u> Feet From The <u>NORTH</u> Line and <u>660</u> Feet From The <u>EAST</u> Line Section <u>31</u> Township <u>22S</u> Range <u>26E</u> NMPM <u>EDDY</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3374' GR.	

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Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Csg. Test & cmt job ☒

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.

4-25-97 Spudded 20" surface hole @ 8:00AM CST.

4-27-97 Ran centralizers in middle of 1st jt. and on collars of jts. #2, 4, 6. Halliburton cmt'd w/ 775 sks of CI "C" cmt containing 2% CaCl₂ mixed @ 14.8 ppg, yield 1.34 sq. ft., mixing water 6.31 gals./sk. Plug down to 568' w/ 500# @ 2:15 PM CST 4-27-97 w/ no returns. Float held OK. WOC 12 hrs. and ran temp. survey. found TOC @ 118' FS. Ran 1" and tagged cmt @ 115'. Cmt'd w/ 150 sk of CI "C" Neet containing 2% CaCl₂ mixed same as tail slurry on initial cmt job. Circ'd 20 sks to the pit. Job complete @ 6:15PM CST, 4-27-97.

4-30-97 Ran centralizers in middle of 1st shoe jt. and on collars of jts. #3,5,7,9. Halliburton cmt'd w/ 200 sks of CI "C" containing 10#/sk Cal-seal mixed @ ppg., yield 1.34 ft/sk, mixing water 6.35 gals/sk followed by 1000 sks of CI "C" Lite containing 1/4# flocele + 1#sk gilsonite + 6%gel + 12% salt mixed @ 12.4 ppg., yield 2.37 sq. ft/sk, mixing water 13.03 glas/sk followed by 250- sks of CI "C" Neet containing 2% CaCl₂ mixed @ 14.8 ppg, yield 1.34 sq ft/sk, mixing water 6.31 gals/sk. Plug down to 1519' w/ 600# @ 8:00 PM CST, 4-29-97 w/ no returns. Floats held OK. As per approval from Tim Gun w/ NMOCD office in Artesia, WOC 4 hrs. and ran 1" and tagged cmt @ 620'. Cmt'd w/ 400 sks of CI "C" Neet containing 2% CaCl₂ mixed same as tail slurry. Circ'd 25 sks to the pit. Job complete @ 1:15 AM CST on 4-30-97.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Haylie Urias TITLE Regulatory Analyst DATE 06-02-97
TYPE OR PRINT NAME Haylie M. Urias TELEPHONE NO. 915-683-2534

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

JUN 11 1997