811 S. 1ST ST. ARTESIA, NM 88210-2834

Form 3160-3 (July 1992)

SUBMIT I

(Other incluctions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

UNITED STATES

| | DEPARTMEN | I OF THE INTE | ERIOR | | 5. LEASE DESIGNATION | |
|-----------------------------------|----------------|--|---|--------------------|---------------------------|------------|
| | BUREAU OF | 5. LEASE DESIGNATION AND SERIAL NO. NM-96212 | | | | |
| APPI | LICATION FOR P | 6. IF INDIAN, ALLOTTE | OR TRIBE NAME | | | |
| 1a. TYPE OF WORK | | | | 1/97 | | |
| | RILL 🗓 | DEEPEN 🗌 | JP 11/07 | 777 | 7. UNIT AGREEMENT N | *** 20438. |
| b. TYPE OF WELL | GAS | | SINGLE F MULTI | P: F () | | 22364 |
| OIL X WELL 2. NAME OF OPERATOR | WELL OTHER | | ZONE ZONE | | 8. FARM OR LEASE NAME, WE | |
| | | FO | -683-2534 ¹⁸¹⁹²⁰ 2 | 122 | Angel/"6" Fede | eral # 4 |
| PENWELL ENERG | | LL PIERCE) 915 | -683-2534 | - <u>{</u> -{2,5}/ | 9. API WELL NO. | |
| | | 100 MIDIAND | ₩EV&# 70701</td><td>, Z.</td><td>30-015-</td><td><i>30053</i></td></tr><tr><td></td><td>RIENFELD, SUITE 1 Report location clearly and</td><td></td><td></td><td><u> </u></td><td>10. FIELD AND POOL, O</td><td>R WILDCAT</td></tr><tr><td>At surface</td><td></td><td></td><td>1</td><td>AT-V</td><td>OLD MILLMAN R</td><td>ANCH ASSOC.B</td></tr><tr><td>1980' FWL & 6</td><td>660' FSL SEC. 6</td><td>T20S-R28E EDD</td><td>Y ON RECEIVE</td><td></td><td>11. SEC., T., R., M., OR E AND SURVEY OR AR</td><td>ELK.</td></tr><tr><td>At proposed prod. zo</td><td>one SAME</td><td>ld 41.</td><td>/ OCD - WALE</td><td>SIA GO</td><td>SEC. 6 T2OS-</td><td>-R28F</td></tr><tr><td>14. DISTANCE IN MILES</td><td>AND DIRECTION FROM NEAR</td><td>LEST TOWN OR POST OFFI</td><td>(CE*</td><td></td><td></td><td></td></tr><tr><td></td><td>y 11 miles North</td><td></td><td>\ '."</td><td>VE OF</td><td>12. COUNTY OR PARISH</td><td>}</td></tr><tr><td>15. DISTANCE FROM PRO</td><td>PUSED*</td><td></td><td>NO. OF ACRES IN LEASE</td><td></td><td>EDDY CO.</td><td>NM</td></tr><tr><td>PROPERTY OR LEASE</td><td>LINE FT</td><td>660'</td><td>or or acted in beat</td><td>TO TH</td><td>HIS WELL</td><td></td></tr><tr><td>(Also to nearest dr 18. DISTANCE FROM PRO</td><td>lg. unit line, if any)</td><td></td><td>331</td><td>00</td><td colspan=3>40</td></tr><tr><td>TO NEAREST WELL, OR APPLIED FOR, ON T</td><td>DRILLING, COMPLETED,</td><td>1800'</td><td>6500'</td><td>í</td><td>RY OR CABLE TOULS</td><td></td></tr><tr><td></td><td>hether DF, RT, GR, etc.)</td><td>1000</td><td></td><td><u> </u></td><td>22. APPROX. DATE WO</td><td>W 1971</td></tr><tr><td></td><td></td><td>3357' GR.</td><td></td><td></td><td>As soon as app</td><td></td></tr><tr><td>23.</td><td></td><td></td><td>TO COMPANY DOCUMENT</td><td></td><td> </td><td></td></tr><tr><td>SIZE OF HOLE</td><td></td><td></td><td>D CEMENTING PROGRA</td><td>™ Cap</td><td>itan Controlled Wa</td><td>ter Basin</td></tr><tr><td>25"</td><td>GRADE, SIZE OF CASING</td><td>WEIGHT PER FOOT</td><td>SETTING DEPTH</td><td></td><td>QUANTITY OF CEMEN</td><td></td></tr><tr><td></td><td>20" Conductor</td><td>NA NA</td><td>40'</td><td>Cement</td><td>to surfacewith</td><td>Redi-mix.</td></tr><tr><td>17½''</td><td>H-40 13 3/8"</td><td>48</td><td>450'</td><td></td><td>. Circulate to</td><td></td></tr><tr><td>11"</td><td>J-55 8 5/8"</td><td>32</td><td>2900'</td><td></td><td>. Circulate to</td><td></td></tr><tr><td>7 7/8"</td><td>J-55 5½"</td><td>15.5</td><td>6500'</td><td>600 Sx</td><td>. Estimate top</td><td>cement 2600'</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>1. Drill 25"</td><td>hole to 40'. Set</td><td>40' of 20" co</td><td>nductor and ceme</td><td>ent to s</td><td>surface with Re</td><td>edi-mix.</td></tr><tr><td></td><td>' hole to 450'. R</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>Sx. of Class "C"</td><td></td><td></td><td></td><td></td><td>. Cement</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>)' of ll" hole to</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>th 500 Sx. of Cla</td><td></td><td>ight, tail in w</td><td>ith 250</td><td>Sx. of Class "</td><td>'C'' + 2%</td></tr><tr><td>CaCl, circ</td><td>culate cement to</td><td>surface.</td><td></td><td></td><td></td><td></td></tr><tr><td>4. Drill 7 7/</td><td>/8" hole to 6500'</td><td>. Run and set</td><td>6500' of 5½" .T-9</td><td>55 15.5#</td><td># 8-R ST&C casi</td><td>no.</td></tr><tr><td></td><td>th 400 Sx. of Cla</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>additives, estima</td><td></td><td>•</td><td></td><td></td><td>••</td></tr><tr><td></td><td></td><td>0 7.15</td><td>7- 1</td><td>Comment.</td><td>in the second second</td><td></td></tr><tr><td></td><td></td><td>Vasled 10</td><td>T'</td><td>General !</td><td>Salurements and</td><td>•</td></tr><tr><td></td><td></td><td>NLA 17 P</td><td>* *S</td><td>aproisi S</td><td>Tipulations</td><td></td></tr><tr><td>N ABOVE SPACE DESCRIE</td><td>BE PROPOSED PROGRAM: If prince locations</td><td>roposal is to deepen, give date</td><td>() a on present productive zone a</td><td>MITECTORS of the composed of t</td><td>l new productive zone. If pro</td><td>posal is to drill or</td></tr><tr><td>7.8</td><td>inent data on subsurface locations</td><td>and measured and true vertice</td><td>al depths. Give blowout preven</td><td>iter program, if</td><td>fany.</td><td></td></tr><tr><td>4.</td><td></td><td>·</td><td></td><td></td><td></td><td>-</td></tr></tbody></table> | | | |

IN dec 11/06/97 (This space for Federal or State office use) PERMIT NO.

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lesse which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

deparment

| (ORIG. SGD.) JOHN S. SIMITZ | Active 9 ADM, MINERALS |
|-----------------------------|------------------------|
| APPROVED BY | - TITLE // C / // |

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88:11 A T- VON TPP!

BOSMETT OFFICE

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Instruction on back Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | Pool Code | Pool Name | e | |
|---------------------|-----------|--------------------------------------|-----------------|--|
| | 48035 | OLD MILLMAN RANCH ASSOC. BONE SPRING | | |
| Property Code | | roperty Name Well Nu "6' Federal 4 | ımber | |
| 0GRID No. 147380 | | perator Name Elevat | Elevation 3357' | |

Surface Location

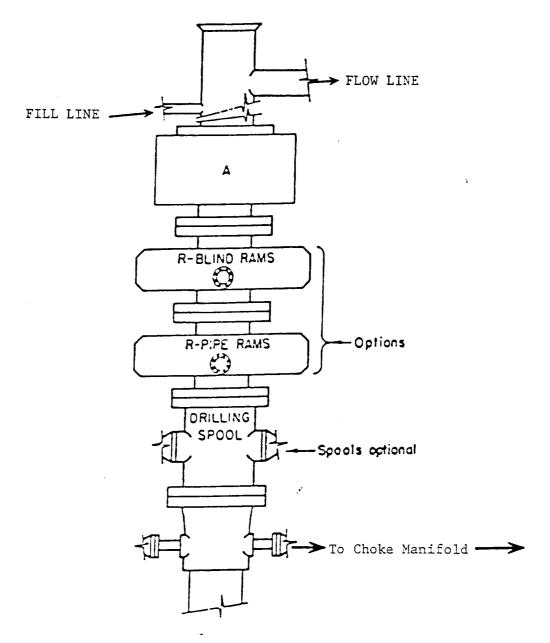
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 6 | 20 S | 28 E | <u></u> | 660 | South | 1980 | West | Eddy |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|-------------|-------------|---------|---------------|------------------|---------------|----------------|--------|
| Dedicated Acres | Joint o | r Infill Co | nsolidation | Code Or | der No. | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| Lot 4 | | | | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief |
|-------|--|--------------|--|---|
| Lot 5 | | <u>Lot 2</u> | | Signature Joe T. Janica Printed Name Agent Title 11/06/97 Date |
| | | | | SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison and that the same is true and correct to the best of my belief October 30 1997 |
| Lot 6 | 3356.2' 3351.0' | - — — | | Date Surveyed Signature & Seal of Professions Surveyor MEXICO Certificate No. 1628E BASIN SURVEYS BASIN SURVEYS |

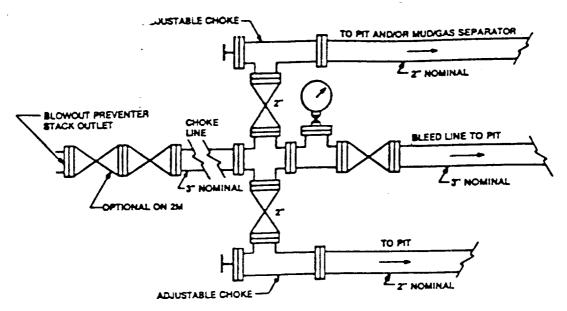


ARRANGEMENT SRRA

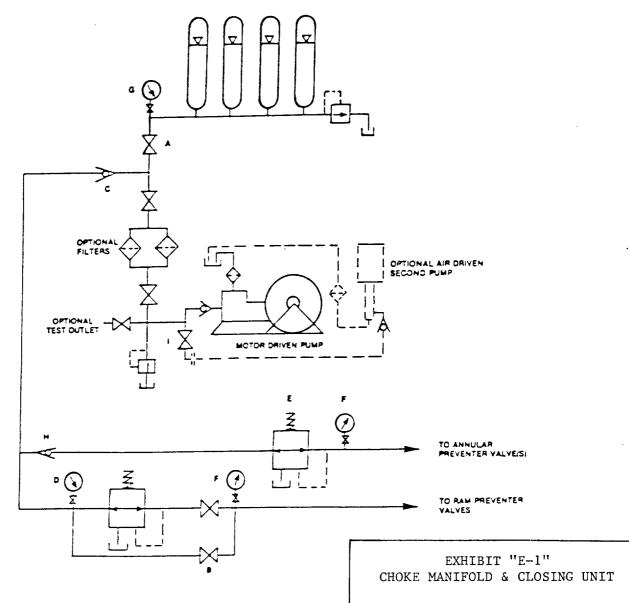
900 Series 3000 PSI WP

EXHIBIT "E"
B.O.P. SKETCH TO BE USED ON

PENWELL ENERGY, INC.
ANGEL "6" FEDERAL # 4
UNIT "N" SECTION 6
T20S-R28E EDDY CO. NM



Typical choke manifold assembly for 3M WP system



PENWELL ENERGY, INC. ANGEL "6" FEDERAL # 4 UNIT "N" SECTION 6 T2OS-R28E EDDY CO. NM