

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

JP 11/07/97

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

PENWELL ENERGY, INC.

(BILL PIERCE)

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

1650' FWL & 1980' FSL OF SEC. 6 T20S-R28E EDDY CO. NM

At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 11 miles North of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

1650'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

660'

16. NO. OF ACRES IN LEASE

331

19. PROPOSED DEPTH

6500'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

ROTARY

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

3364' GR.

22. APPROX. DATE WORK WILL START*

As soon as approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

Capitan Controlled Water Basin

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Conductor	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	450'	450 Sx. Circulate to surface.
11"	J-55 8 5/8"	32	2900'	750 Sx. Circulate to surface.
7 7/8"	J-55 5½"	15.5	6500'	600 Sx. Estimate top cement 2600'

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 17½" hole to 450'. Run and set 450' of 13 3/8" H-40 48# 8-R ST&C casing. Cement with 450 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 2900' of 11" hole to 2900'. Run and set 2900' of 8 5/8" J-55 32# 8-R ST&C casing. Cement with 500 Sx. of Class "C" Halco Light, tail in with 250 Sx. of Class "C" + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 6500'. Run and set 6500' of 5½" J-55 15.5# 8-R ST&C casing. Cement with 400 Sx. of Class "C" Halco Light, tail in with 200 Sx. of Class "H" cement + additives, estimate top of cement 2600'.

Permitted FD-1
N & HPE
1-30-98Approved Subject to
General Requirements and
Special stipulations
Attached

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

Agent

DATE 11/06/97

(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:

(ORIG. SGL.) JOHN S. SIMITZ

APPROVED BY

TITLE

ADM MINERALS

DATE

1-15-98

*See Instructions On Reverse Side

RECEIVED
1997 NOV -7 A 11: 35
U.S. DEPT. OF LAND MGMT.
ROSWELL 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
	48035	OLD MILLMAN RANCH-BS ASSOC.
Property Code	Property Name	Well Number
20438	Angel "6" Federal	7
OGRID No.	Operator Name	Elevation
147380	Penwell Energy Inc.	3364'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	6	20 S	28 E		1980	South	1650	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 or Infill	Consolidation Code	Order No.
40			

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	Lot 3	Lot 2	Lot 1
Lot 5			
Lot 6			
Lot 7			

Diagram showing well location and acreage dedication plat. The plat is divided into seven lots (Lot 1 to Lot 7). Lot 6 is the central lot, and Lot 7 is the bottom lot. The well location is marked with a dashed line and dimensions: 3370.1' (top), 3358.8' (top right), 3364.8' (bottom left), and 3357.5' (bottom right). The well is located 1650' from the left boundary and 1980' from the bottom boundary.

OPERATOR CERTIFICATION

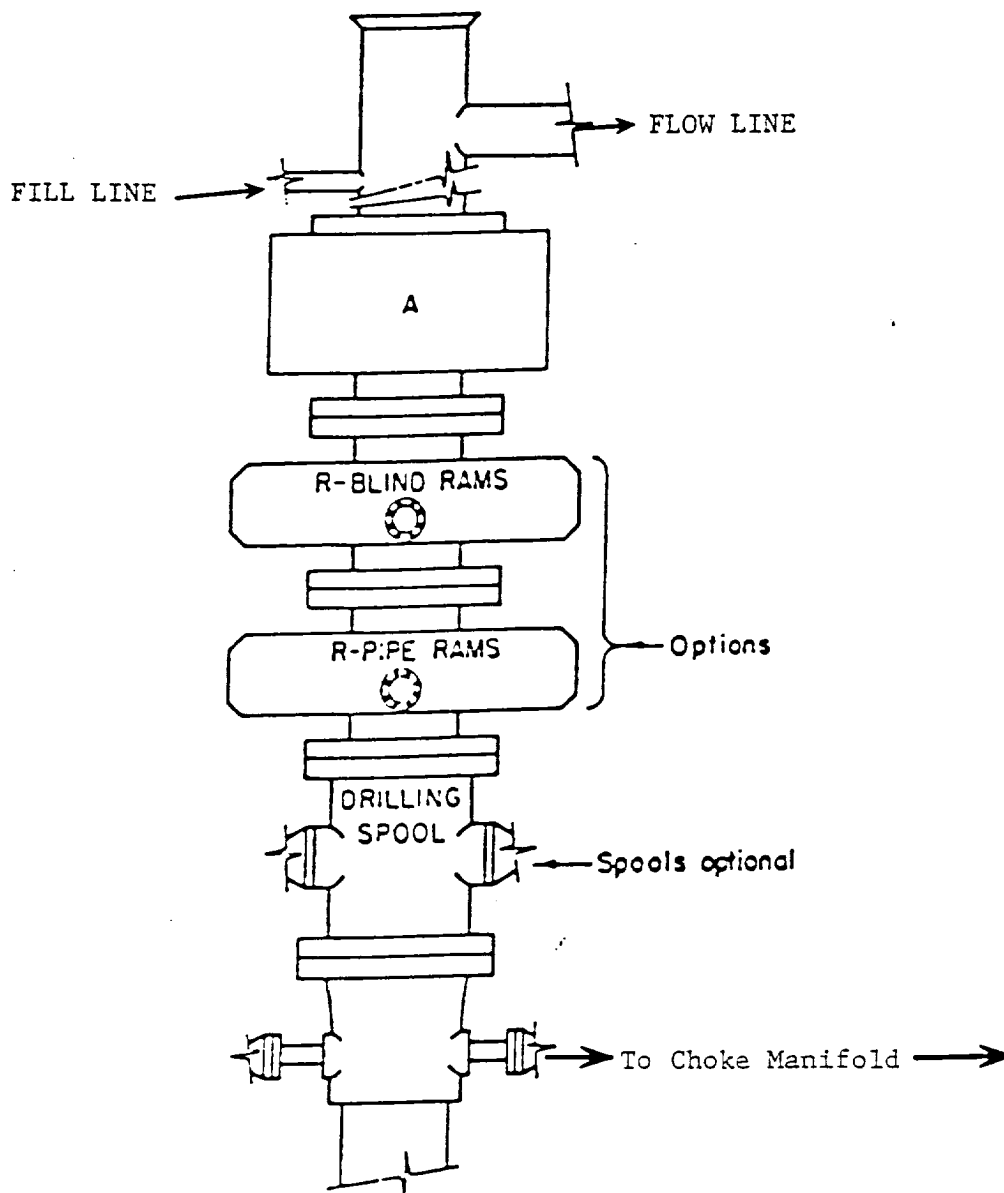
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Joe T Janica
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 supervision and that the same is true and correct to the best of my belief.

April 14, 1997
Date Surveyed
Signature & Seal of Professional Surveyor
W.O. No. 7141c
Certificate No. 7977
BASIN SURVEYS

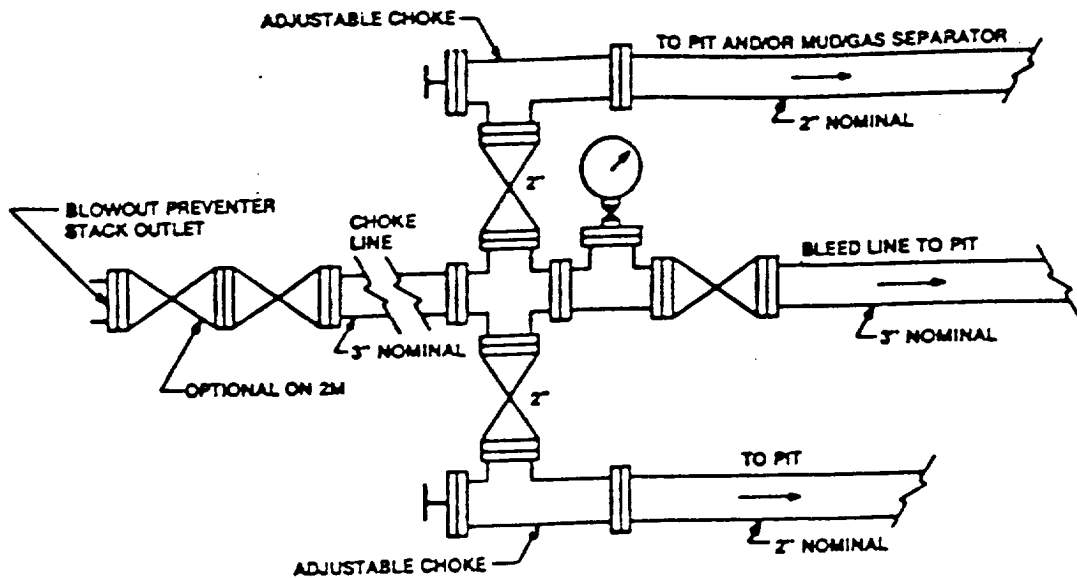


ARRANGEMENT SRRA

900 Series
3000 PSI WP

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

PENWELL ENERGY, INC.
ANGEL "6" FEDERAL #7
UNIT "K" SECTION 6
T20S-R28F EDDY CO. NM



Typical choke manifold assembly for 3M WP system

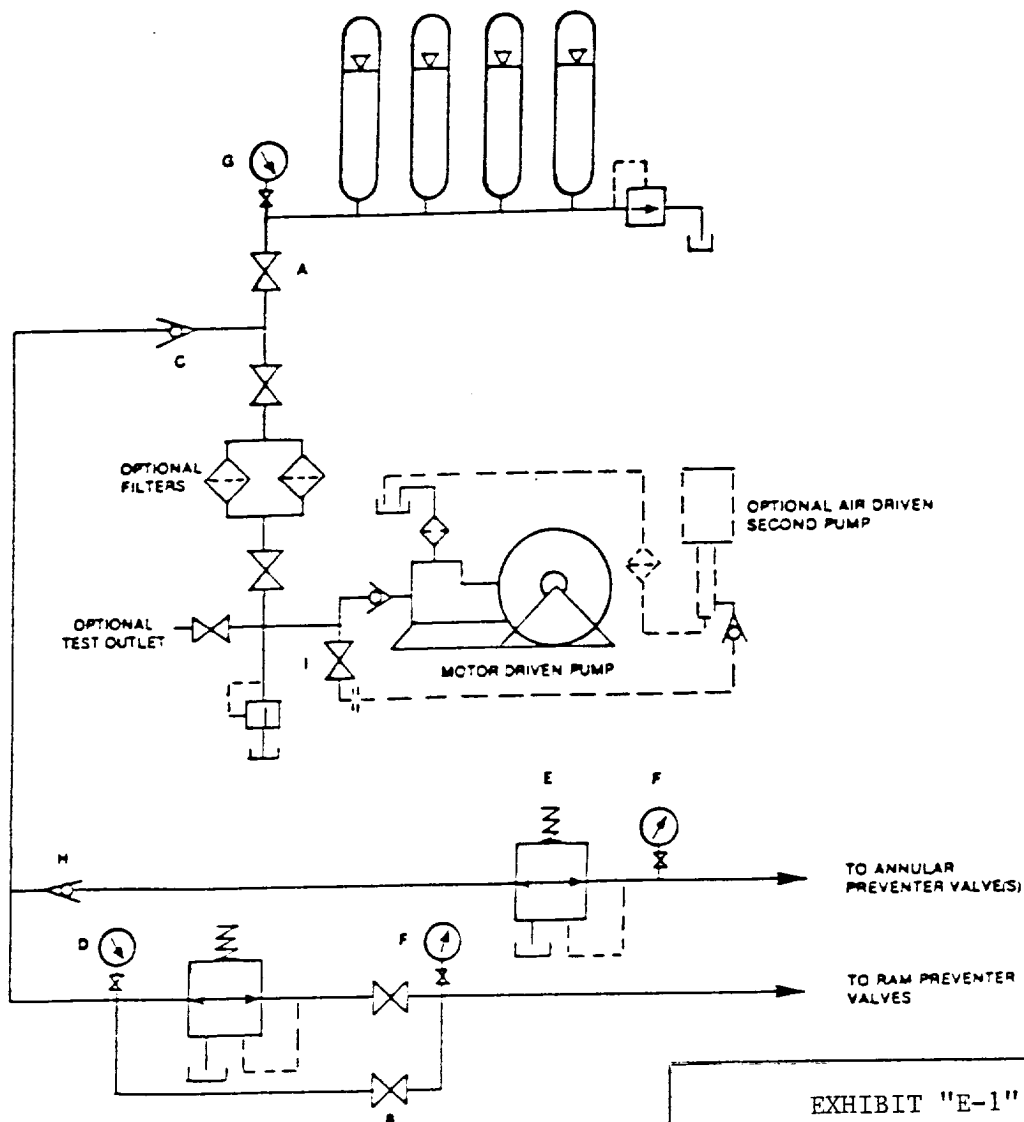


EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

PENWELL ENERGY, INC.
ANGEL "6" FEDERAL # 7
UNIT "K" SECTION 6
T20S-R28F EDDY CO. NM