					dst	
Տսbmit 3 Copies to Appropriate District Office	State of New M Energy, Minerals and Natural R	Form C-103 Revised 1-1-89				
<u>DISTRICT I</u> P.O. Box 1980, Hobbs <b>, NM 88240</b>	OIL CONSERVATIE 2040 Pacheco S Santa Fe, NM 8	KECEIVE	THELL API NO.	215-2	9271	
<u>DISTRICT II</u> P.O. Drawer DD, Artesia, NM 88210	Santa Fe, NW O	.IUN 2 6 1997	sIndicate Type of Leas			
<u>DISTRICT III</u> 1000 Rio Brazos Rd., Aztec, NM 87410	<i>(</i> 7)	STATE FEE				
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.)			<sup>7</sup> Lease Name or Unit Agreement Name FH "28" State Com.			
,Type of Well: OIL GAS WELL WELL	OTHER					
2Name of Operator Penwell Energy, Inc.				rWell No. 2		
3Address of Operator 600 N. Marienfeld, Ste 1100, Midland, Texas 79701			Pool name or Wildcat Carlsbad South Morrow			
Well Location	Feet From The West	Line and 1980	Feet From The	South	Line	
Section 28						
38000 20	Township 23S F 10Elevation (Show whether DF, 3346 Gr.		NMPM	Eddy	County	
<sup>11</sup> Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data						
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:						
		REMEDIAL WORK		ALTERING CASI		
		COMMENCE DRILLING OPNS.				
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB				
OTHER:		OTHER: spud/csg/perferation/acidize/frac				
12Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 12-9-97 SPUDDED 17 1/2" SURFACE HOLE @ 8:15 PM MST 12-9-96.						
12-13-97 Ran 13 3/8" 48#, H-40 8rd STC Surface Csg.: Ran centralizer in middle of first joint, collars of jts. # 3,5, & 7. Dowell cemented w/300 sks. of Cl. "C" Lite containing 1 pps cellophone flakes, 5#/sk. gilsonite + 2% CaCl2 mixed @ 13.7 ppg, yield 1.68 ft3/sk., mixing H20 8.31 gals./sk followed by 200 sks. of Cl. "C" Neet containing 3% CaCl2 mixed @ 14.8 ppg, yield of 1.35 ft3/sk., mixing H20 of 6.3 gals./sk. Plug down to 574' @ 10:00 AM 12-12-96. Float held o.k. circulated 67 sacks to the pit.						
12-17-97 Ran 9 4/8" 40#, J-55 8rd STC Intermediate Csg.: Ran centralizers in middle of first shoe joint, collars of jts. #3,5,7,9,12,30 & 32. Dowell cmt'd w/600 sks. of Cl. "C" Lite containing 5#/sk. gilsonite + ½ pps cello flakes + 2% CaCl2 mixed @ 13.7 ppg, yield 1.68 ft3/sk, mixing H20 8.32 gals./sk. followed by 300 sks. of Cl. "C" Neet containing 3% CaCl2 mixed @ 14.8 ppg, yield 1.35 ft3/sk, mixing H20 6.3 gals./sk. Plug down to 1708' @ 1:10 PM 12-16-96. Circ'd 128 sks. of cmt. to the pit. Floats held o.k.						
2-3-97 Ran 7" 83 jts. of 26# S-95 LTC Prod. Csg. & 238 jts. 23# S-95 LTC Prod. Csg. Ran rough-coated, sand blasted, and centralized casing across all zones of interest. Dowell cemented the first stage w/ 385 sks of Class "H" Lite containing 5% D-44 + 6% D-20 + 4% D-800 + 5 pps D-42 + ½ pps D-29 mixed @ 12.4 ppg, yield 2.13 ft3/ sk, mixing H2O 11.37 gals/sk followed by 500 sks of Class "H" containing 13.25% D-44 + 6% D-59 + 1% D-800 + 2% D=65 mixed @ 15.6 ppg, yield 1.25 ft3/sk, mixing H2O 5.45 gals/sk. Plug down to 11.935' @ 9:00am 2-2-97. Floats held ok. Opened DV Tool & circ. 79 sks of cement to the pit, circulated 6 ½ hrs. Cemented the second stage w/ 925 sks of Class "H" Lite containing 6.25% D-44 + 6% D-20 + .5% D-29 + 1.12% D-24 mixed @ 12.4 ppg, yield 2.11 ft3/sk, mixing H2O 11.56 gals/sk, mixing H2O 5.22 gals/sk. followed by 100 sks of Class H Neet mixed @ 15.6 ppg, yield .1.18ft3/sk, mixing H2O 5.22 gals/sk. Plug down to 7,479' @ 5:30pm on 2-2-97.						
I hereby certify that the information above is true and complete to the best of my knowledge and belief.						
SIGNATURE Day LIO		LE Regulatory Analyst		DATE		
				TELEPHONE NO.		
(This space for State Use) Lim W. Germ District Supervisor						
APPROVED BY			0		77	