

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
311 S. 1st Street
Alamogordo, NM 88210-2834

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

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

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. COCHITI
2. Name of Operator PENWELL ENERGY, INC. (BILL PIERCE) Ph 915-683-2534	9. API Well No. "28" FEDERAL # 1
3. Address and Telephone No. 600 NORTH MARIENFELD SUITE 1100 MIDLAND, TEXAS 79701	10. Field and Pool, or Exploratory Area 30-C15-30113
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660' FWL SEC. 28 T23S-R29E EDDY CO. NM	11. Country or Parish, State WILDCAT-BONE SPRING EDDY CO.

13. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input checked="" type="checkbox"/> Altering Casing, hole size & depth
	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- Penwell Energy, Inc. requests the approval to alter their casing program and depth on their COCHITI "28" FEDERAL # 1 located 1980' FNL & 660' FWL SEC. 28 T23S-R29E.
- Change 12 1/4" hole to 11" hole and change 9 5/8" casing to 8 5/8" 32# casing. **I-55 LTC**
- Change 8 3/4" hole to 7 7/8" hole and from 7" casing to 5 1/2" casing, and change depth from 10,400' to 10,200'.
- This well will be a Bone Spring oil well instead of an Atoka gas well.

5 1/2" CASING:

1000' 17" N-80 LTC @ 0-1000'

8000' 17" I-55 LTC @ 1000'-9000'

1200' 17" N-80 LTC @ 9000'-10,200' PER BILL PIERCE 4/15/98 MS.

14. I hereby certify that the foregoing is true and correct	
Signed <u>[Signature]</u>	Title <u>Agent</u> Date <u>03/10/98</u>
(This space for Federal or State Office use)	
Approved by <u>(ORIG. SGD.) LES BABYAK</u>	Title <u>PETROLEUM ENGINEER</u> Date <u>APR 15 1998</u>
Conditions of approval, if any:	