

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. 30-015-22243
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name Rifleman AFQ "32" State Com
Well No. 1
Pool name or Wildcat Undesignated

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
Name of Operator Penwell Energy, Inc.	
Address of Operator 600 N. Marienfeld, Suite 1100, Midland, TX 79701	
Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>21S</u> Range <u>26E</u> NMPM <u>Eddy</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3280' 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: ☐

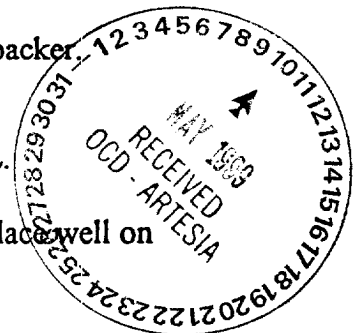
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Plugback to Delaware ☒

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.

The following work was performed (from 4/24/98 to 6/12/98) to plugback from the Strawn interval 9729'-9767' moving uphole to test the Delaware interval 4400'-4416':

1. MIRU workover unit. ND tree, NU BOP, and POOH with tubing and packer.
2. Set CIBP at 9650' and dump bail 2 sacks cement on top.
3. Perforate Delaware interval 4400'-4416' w/ 2 JSPF.
4. RIH with packer on tubing and acidize with 2000 gals 15% NEFE HCL.
5. Swab back load and POOH with tubing and packer.
6. Run mud anchor, TAC (set at 4284'), 2 7/8" tubing, rods, and pump. Place well on production.



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

SIGNATURE Charles W. Knight, Jr. TITLE Engineer DATE 11-18-98

TYPE OR PRINT NAME Charles W. Knight, Jr. TELEPHONE NO. 915-683-2534

(This space for State Use)

APPROVED BY [Signature] TITLE DATE

CONDITIONS OF APPROVAL, IF ANY: