

Form 3160-3
(July 1992)

Oil Cons. Division
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUBMIT IN TRIPPLICATE
(Other Instructions on reverse side)
APR 09 1997

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-029387-B
B. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE BORE <input type="checkbox"/> MULTIPLE BORE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----
2. NAME OF OPERATOR PENWELL ENERGY INC. 147380 (BILL PIERCE)		7. UNIT AGREEMENT NAME -----
3. ADDRESS AND TELEPHONE NO. 1100 ARCO BUILDING 600 N MERINFELD MIDLAND, TEXAS 79701 Phone 915-683-2534		8. FARM OR LEASE NAME, WELL NO. WEST SHUGART "30" FEDERAL # 3 19509
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 360' FNL & 1980' FEL SEC. 30 T18S-R31E EDDY CO. NEW MEXICO At proposed prod. zone SAME Unit B		9. APPROVED 30-015-29500
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Approximately 7 miles Southeast of Loco Hills new Mexico		10. FIELD AND POOL, OR WILDCAT 96686 WILDCAT Shugart Wellcamp
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 360'		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA SEC. 30 T18S-R31E West
16. NO. OF ACRES IN LEASE 470		12. COUNTY OR PARISH EDDY CO.
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 220'		20. ROTARY OR CABLE TOOLS ROTARY
19. PROPOSED DEPTH 10,500'		22. APPROX. DATE WORK WILL START As soon as approved
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3640' GR.		

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	20" Conductor	.25 Wall Thick.	40'	Cement to surface/Redi-mix
17 1/2"	H-40 13 3/8"	48	45' WITNESS	400 Sx. Class "C" Neat/3% CaCl.
12 1/4"	J-55 8 5/8"	32	28' WITNESS	1000 Sx Class "C" Circulate to S
7 7/8"	N-80 5 1/2"	17	10500'	1050 Sx Two stage job

1. Drill 25" hole to 40'. set 40' of conductor pipe cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 450'. Run and set 450' of 48# H-40 13 3/8" ST&C casing. Cement with 400 Sx. Class "C" + circulate cement to surface.
3. Drill 12 1/4" hole to 2800'. Run and set 2800' of 8 5/8" J-55 32# ST&C casing. Cement with 700 Sx. Class "C" light tail in with 300 Sx. Class "C" neat + 2% CaCl circulate cement to surface.
4. Drill 7 7/8" hole to 10,500'. Run and set 10,500' of 5 1/2" 17# N-80 LT&C casing. Cement 1st stage with 450 Sx. Class "H" cement with additives. DV tool set at 6800'± cement 2nd stage with 400 Sx. Class "C" light + additives tail in with 200 Sx. Class "C" light + additives bring cement back to 2600'± into 8 5/8" casing.

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 Joel Janica TITLE Agent DATE 02/26/97
(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:

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ TITLE Janica DATE 2/27

*See Instructions On Reverse Side

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

OIL CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	WILDCAT	Pool Name
Property Code 19509	Property Name West Shugart "30" Federal		Well Number 3
OGRID No. 147380	Operator Name Penwell Energy Inc.		Elevation 3636'

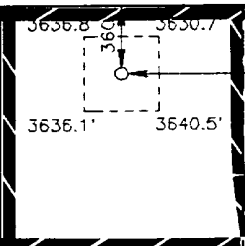
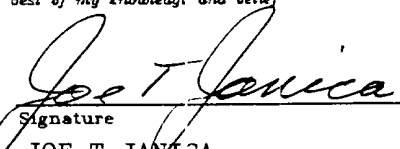
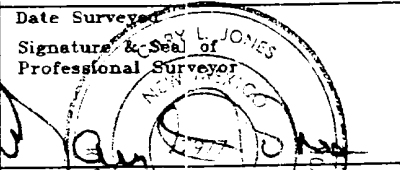
Surface Location

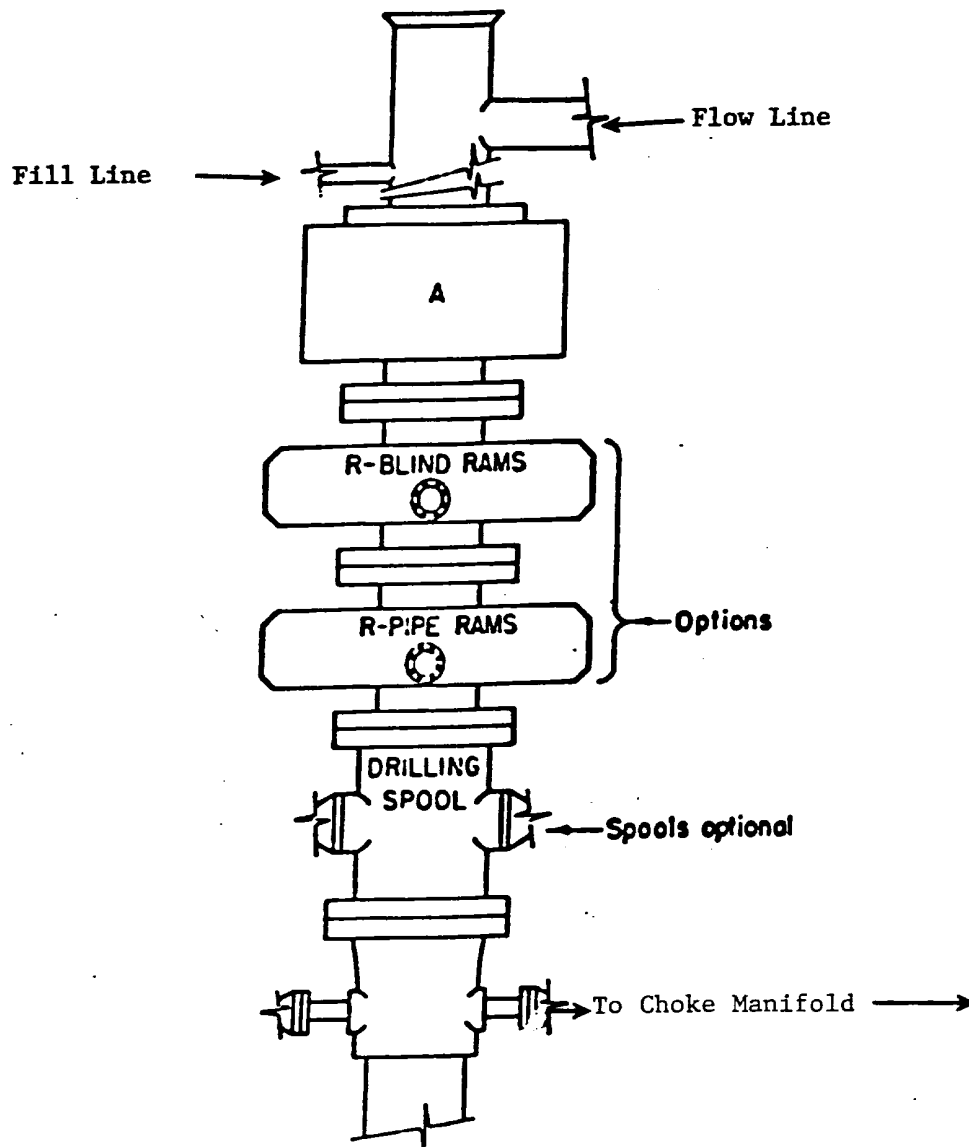
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	30	18 S	31 E		360	North	1980	East	Eddy

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 40	Joint or Infill	Consolidation Code	Order 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 1 - 35.30 Ac	Lot 2 - 35.38 Ac	Lot 3 - 35.46 Ac	Lot 4 - 35.54 Ac		OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature JOE T JANICA Printed Name AGENT Title 2-26-97 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. February 18, 1997 Date Surveyed  Signature & Seal of Professional Surveyor W.O. No. 7087A Certificate No. Gary L. Jones 7977 BASIS SURVEYS	



ARRANGEMENT SRRA

1500 Series
5000# Working Pressure

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

PENWELL ENERGY, INC.
WEST SHUGART "30" FEDERAL #3
360' FNL & 1380' FEL SEC. 30
T18S-R31E EDDY CO. NM

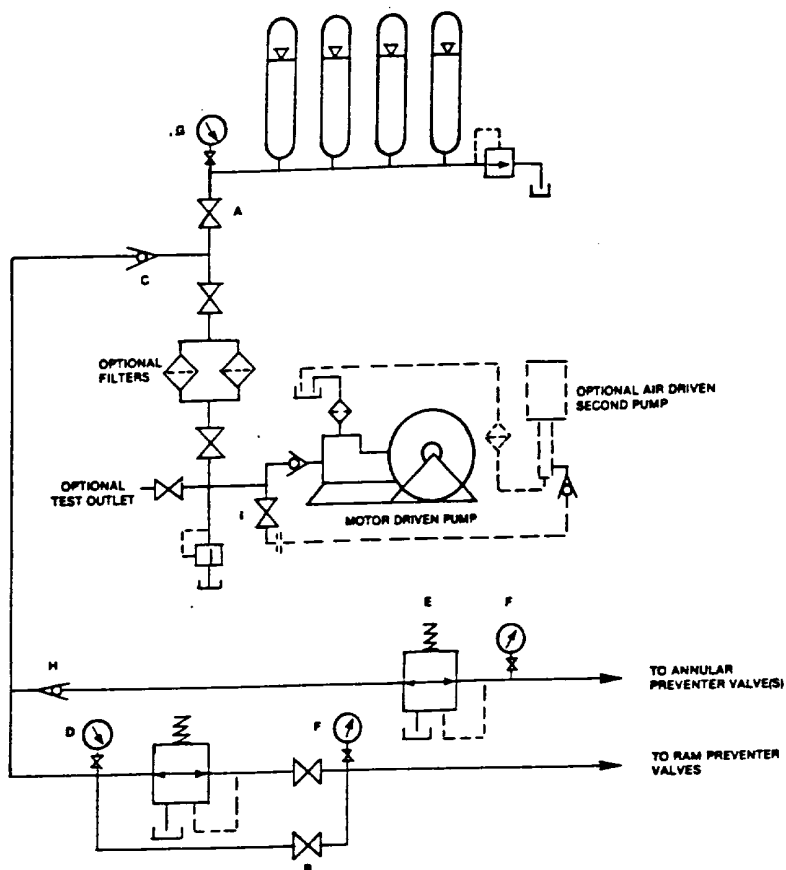


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

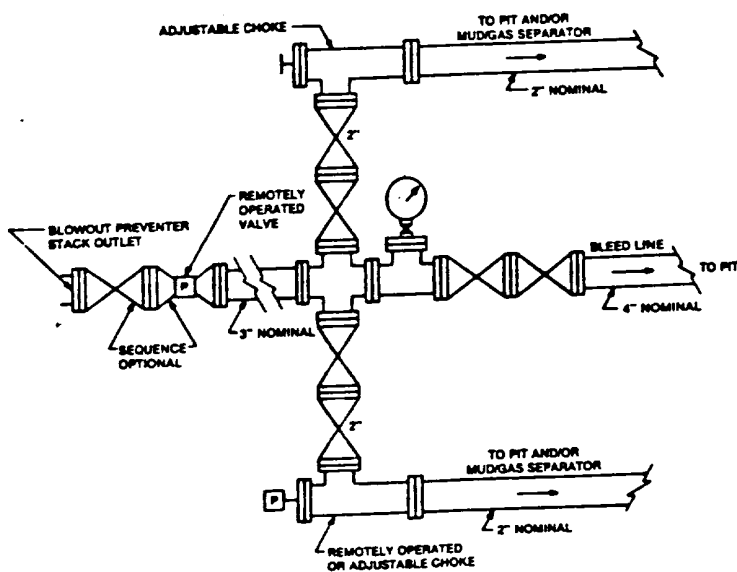


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "1-E"
CHOKE MANIFOLD & CLOSING UNIT

PENWELL ENERGY, INC.
WEST SHUGART "30" FEDERAL #1
360' FNL & 1980' FEL SEC. 30
T18S-R31E EDDY CO. N