

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-07
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies
 AMENDED REPORT

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

RECEIVED
 APR 08 1997
 OIL CONSERVATION DIVISION
 SANTA FE, NM

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. PENWELL ENERGY INC 600 NORTH MARIENFELD SUITE 1100 MIDLAND, TEXAS 79701		OGRID Number 147380
Property Code 20639		API Number 30-015-29506
Property Name F.H. "28" STATE "D"		Well No. 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	28	23S	26E		1980'	North	660'	East	Eddy

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Dark Canyon Delaware 15580					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 3322 GR.
Multiple NO	Proposed Depth 5500"	Formation DELAWARE	Contractor Unknown	Spud Date As soon as approved

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
25"	20"	Conductor	40'	Redi-mix	Surface.
17 1/2"	13 3/8"	48	500'	550 Sx.	Surface
12 1/2"	8 5/8"	24	1700'	1000 Sx.	Surface
7 7/8"	5 1/2"	17	5500'	250 Sx	4000'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

- Drill 25" hole to 40'. Set 40' of 20" conductor cement with Redi-mix cement to surface.
- Drill 17 1/2" hole to 500'. Run and set 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 550 Sx. Class "C" + 2% CaCl, circulate cement to surface. WOC-18 hours
- Drill 12 1/2" hole to 1700'. Run and set 1700' of 8 5/8" 24# J-55 ST&C casing. Cement with 600 Sx Class "C" Light cement + additives, tail in with 400 Sx. Class "C" + 2% CaCl, circulate cement to surface.
- Drill 7 7/8" hole to 5500'. Run and set 5500' of 5 1/2" 17# J-55 ST&C casing. Cement with 250 Sx. Class "H" cement + additives, top of cement estimated at 4000'.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Joe T. Janica</i>		OIL CONSERVATION DIVISION	
Printed name: Joe T. Janica		Approved by: <i>Jim W. Gurn</i> B6A	
Title: Agent		Title: <i>District Supervisor</i>	
Date: 04/05/97		Approval Date: 4-10-97 Expiration Date: 4-10-98	
Phone: 305-392-2112		Conditions of Approval: Attached <input type="checkbox"/>	