

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

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

Form C-101
Revised February 10, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

RECEIVED
AMENDED REPORT

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 Name F.H. "28" STATE "D"		API Number 30-015-29506
Property Code 20639	Well No. 2	

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the 1980'	North/South line	Feet from the	East/West line	County
H	28	23S	26E			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.
17½"	13 3/8"	48	500'	550 Sx.	Surface
12¼"	8 5/8"	24	1700'	1000 Sx.	Surface
7 7/8"	5½"	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.

1. Drill 25" hole to 40'. Set 40' of 20" conductor cement with Redi-mix cement to surface.
2. Drill 17½" 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
3. Drill 12¼" 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.
4. Drill 7 7/8" hole to 5500'. Run and set 5500' of 5½" 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:

Printed name:

Joe T. Janica

Title:

Agent

Date:

04/05/97

Phone:

305-392-2112

OIL CONSERVATION DIVISION

Approved by:

Jim W. Gurn

B6A

Title:

District Supervisor

Approval Date:

4-10-97

Expiration Date:

4-10-98

Conditions of Approval:

Attached