

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1a. TYPE OF WORK

DRILL ☐DEEPEN ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

PENWELL ENERGY INC. (BILL PIERCE)

## 3. ADDRESS AND TELEPHONE NO.

600 NORTH MARIENFELD SUITE 1100 MIDLAND, TEXAS 79701 Ph. 915-683-2534

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1650' FEL &amp; 180' FNL SEC. 25 T22S-R25E EDDY CO. NM

At proposed prod. zone Same

UNORTHODOX  
LOCATION:

UT. B

St. West to  
Line Approval  
By State

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 5 miles Northwest of Carlsbad New Mexico

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

180'

## 16. NO. OF ACRES IN LEASE

560

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

NA

## 19. PROPOSED DEPTH

11,500

## 20. ROTARY OR CABLE TOOLS

ROTARY

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3493' GR.

## 22. APPROX. DATE WORK WILL START\*

As soon as approved

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	600'	650 Sx. Circulate to surface.
12½"	J-55 9 5/8"	36	2250'	1400 Sx. Circulate to surface.
8 3/4"	S-95 5½"	17	11,500'	2350 Sx. 2 stages

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe &amp; cement to surface with Redi-mix.

2. Drill 17½" hole to 600'. Run and set 600' of 13 3/8" 48# H-40 ST&amp;C casing. Cement with 600 Sx. of Class "C" + 2% CaCl, circulate cement to surface.

3. Drill 12½" hole to 2250'. Run and set 2250' of 9 5/8" 36# J-55 ST&amp;C casing. Cement with 200 Sx. of Thixotropic Class "C" + 10% Cal-seal + 2% CaCl follow with 950 Sx. of Class "C" Halco Light + 1/3 flocele/Sx = 1# Gilsonite/Sx + 6% Gel + 12% salt, tail in with 250 Sx. of Class "C" + 2% CaCl, circulate cement to surface.

4. Drill 8 3/4" hole to 11,500'. Run and set 11,500' of 5½" 17# S-95 LT&amp;C casing. Cement in two stages. First stage cement with 1100 Sx. of Modified Super "H" + .4% CFR 3 + 5# Gilsonite/Sx. + .5% Halad 344 + 3# salt/Sx. Second stage cement with 1050 Sx. of Class "C" Halco Light + 1/3 flocele/Sx. + 1# Gilsonite/Sx. + 6% Gel, tail in with 200 Class "C".

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

*Scott Janice*

TITLE Agent

DATE 07/16/97

(This space for Federal or State office use)

Approval Subject to  
General Requirements and  
Special State Orders

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

TITLE

B.L.M. MIN. DEPT.

DATE

8-18-97

\*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

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

# OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-29810</b>	Pool Code <b>78060</b>	Pool Name <b>HAPPY VALLEY MORROW - GAS</b>
Property Code	Property Name <b>Filaree "25" Federal Com.</b>	Well Number <b>1</b>
UGRID No. <b>147380</b>	Operator Name <b>PENWELL ENERGY INC.</b>	Elevation <b>3493'</b>

### 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>B</b>	<b>25</b>	<b>22 S</b>	<b>25 E</b>		<b>180</b>	<b>North</b>	<b>1650</b>	<b>East</b>	<b>Eddy</b>

### 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 <b>320</b>	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

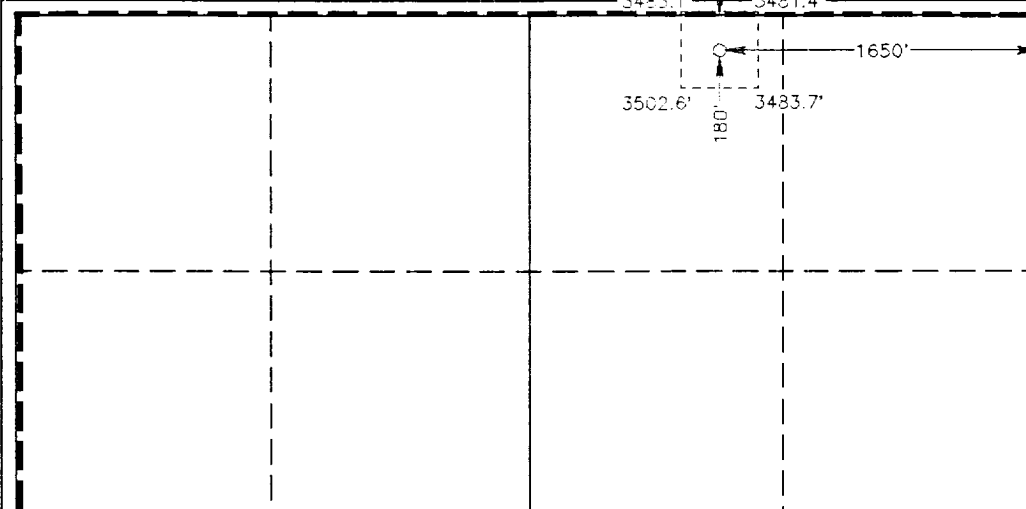
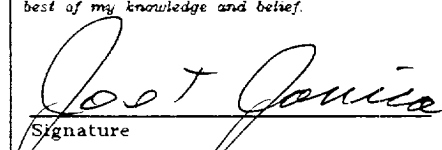
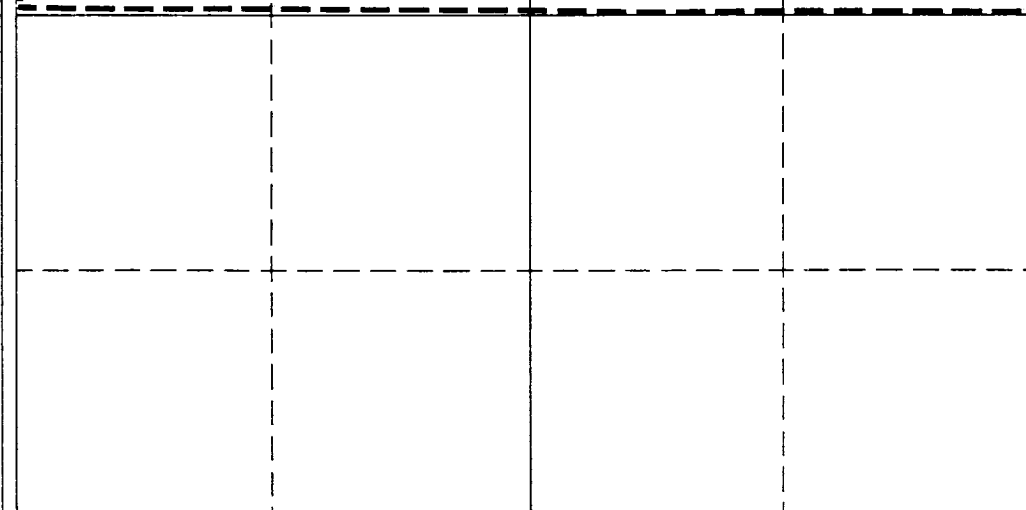
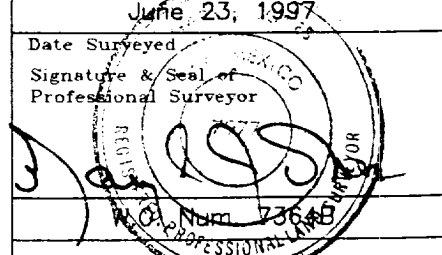
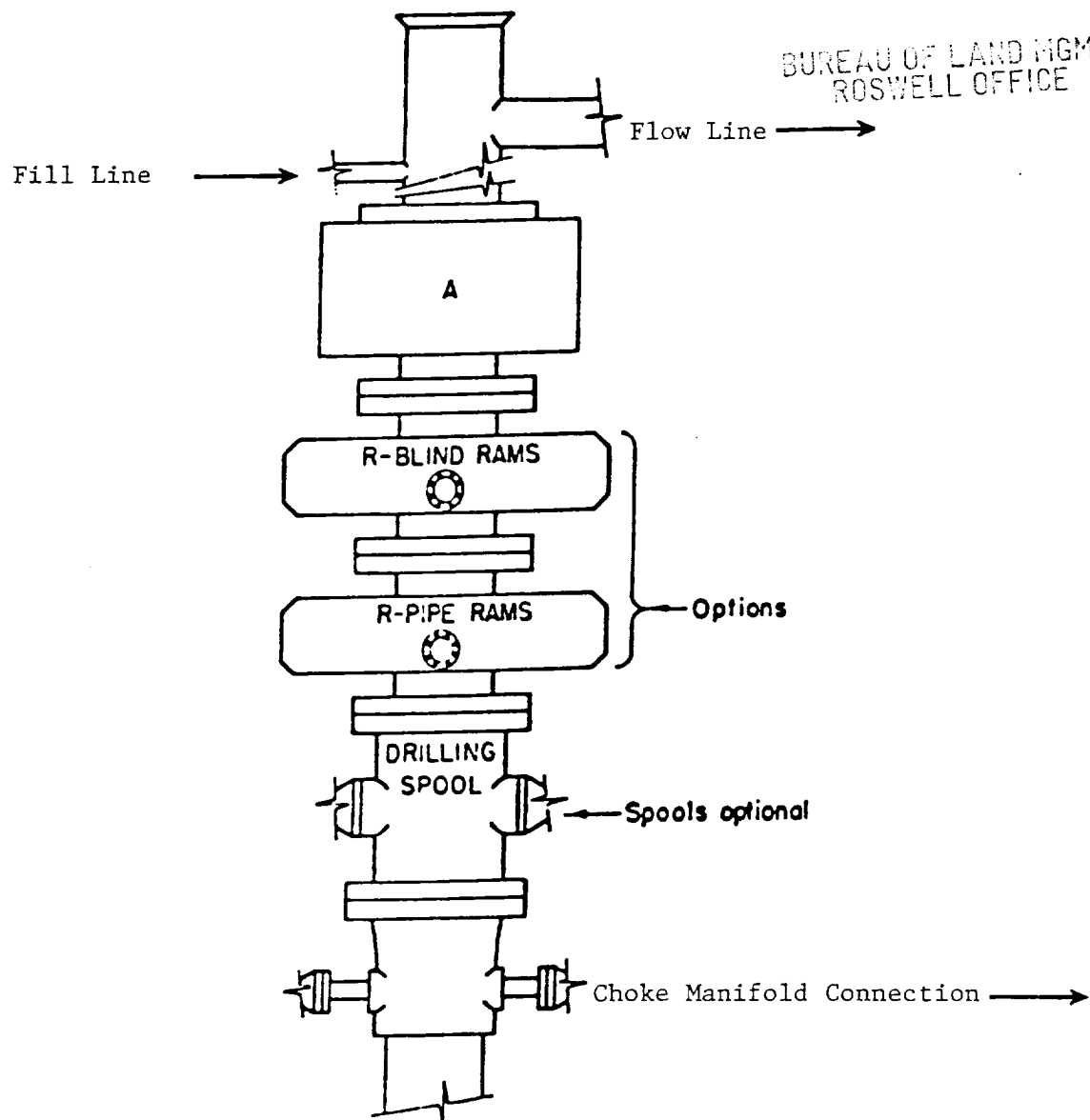
	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature <b>Joe T. Janica</b> Printed Name Agent  Title <b>07/16/97</b> Date
	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown 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.  <b>June 23, 1997</b> Date Surveyed  Signature & Seal of Professional Surveyor <b>W.C. Num 73648</b> Certificate No. <b>7977</b>

EXHIBIT "A"

RECEIVED

1997 JUL 17 A 10: 08

BUREAU OF LAND MGMT.  
ROSWELL OFFICE



**ARRANGEMENT SRRA**

1500 Series  
5000 PSI WP

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

PENWELL ENERGY, INC.  
FILAREE "25" FEDERAL COM #1  
UNIT "B" SECTION 25  
T22S-R25E EDDY CO. NM



RECEIVED  
1997 JUL 17 A 10:08  
BUREAU OF LAND MGMT.  
ROSWELL OFFICE

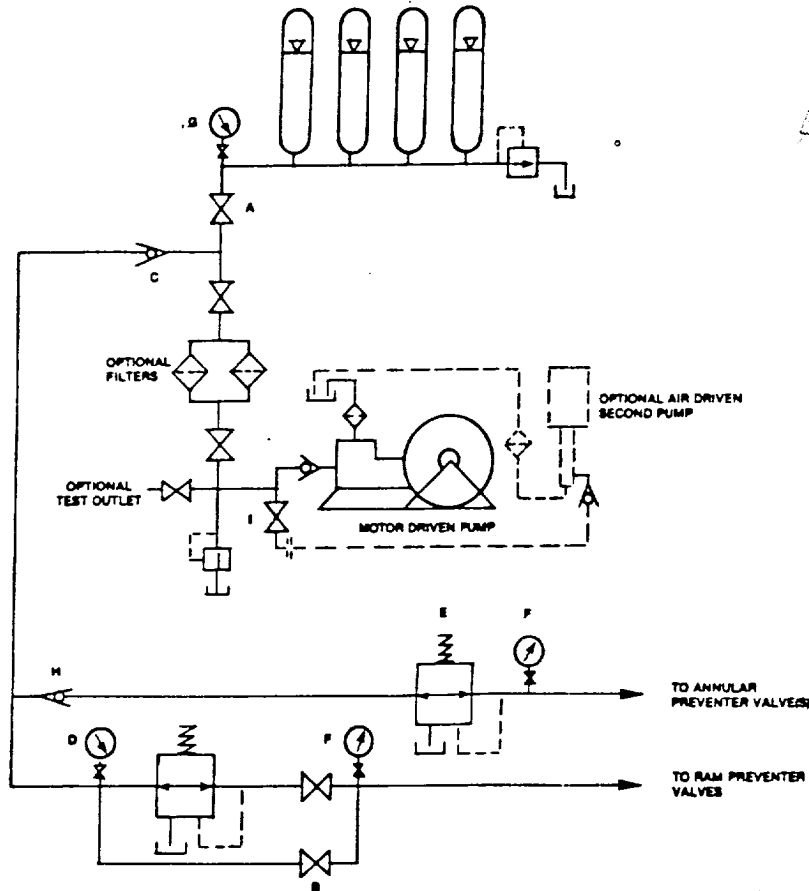


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

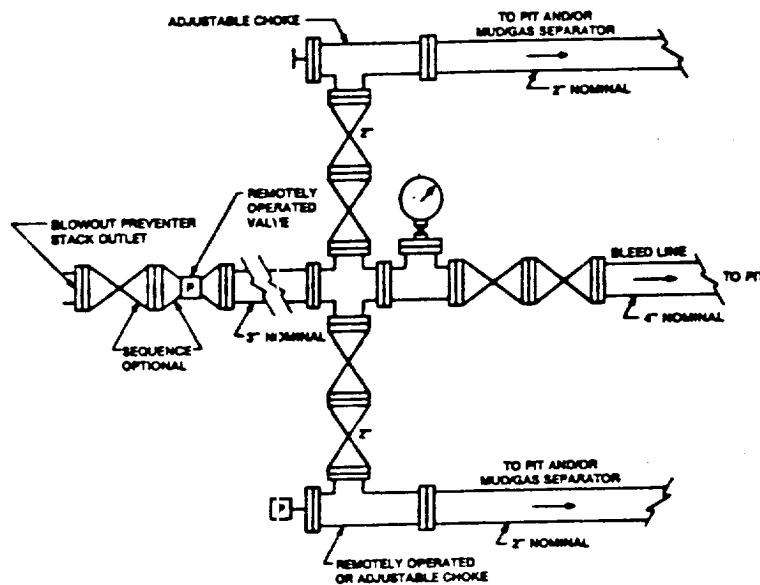


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "I-E"  
CHOKE MANIFOLD & CLOSING UNIT

PENWELL ENERGY, INC.  
FILAREE "25" FEDERAL COM #1  
UNIT "B" SECTION 25  
T22S-R25E EDDY CO. NM