

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

5-22-97 NM

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

PENWELL ENERGY, INC. (BILL PIERCE)

Ph. 915-683-2435

3. ADDRESS AND TELEPHONE NO.

600 NORTH MARIENFELD SUITE 1100 MIDLAND, TEXAS 79701

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

At surface

660' FNL & 660' FWL SEC. 4 T22S-R31E EDDY CO. NM

At proposed prod. zone

SAME

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

Approximately 30 miles East of Carlsbad, New Mexico.

15. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

40

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

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

NA

19. PROPOSED DEPTH

10000' 8350'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3426'

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	20" Conductor	NA	40'	Cement to surface with Redi-mix.
17 1/2"	H-40 13 3/8"	48#	550'	500 Sx. circulate to surface
12 1/2"	J-55 8 5/8"	32#	4000	1200 Sx. circulate to surface
7 7/8"	N-80 5 1/2"	17#	10000' 8350'	1600 Sx. circulate to surface

1. Drill 25" hole to 40'. Set 40' of 20" conductor & cement to surface with Redi-mjix.

2. Drill 17 1/2" hole to 550'. Run and set 550' of 13 3/8" H-40 48# ST&C casing. Cement with 300 Sx. Class "C" Halco Light, tail in with 200 Sx. Class "C" + 2% CaCl, circulate cement to surface.

3. Drill 12 1/2" hole to 4000'. Run and set 4000' of 8 5/8" J-55 32# ST&C casing. Cement with 900 Sx. Class "C" Halco Light + 5# salt/Sx., tail in with 300 Sx. Class "C" + 2% CaCl, circulate cement to surface.

4. Drill 7 7/8" hole to 10000'. Run and set 10000' of 5 1/2" N-80 17# LT&C casing. Cement in 3 stages, 1st stage with 650 Sx. Class "H" + 5% Micro Bond, 2nd stage with 500 Sx. Class Sx. Class "C" + 10# Gilsonite/Sx., 3rd stage with 300 Sx. Class "C" Halco Light, tail in with 150 Sx. Class "C" + 2% CaCl, circulate cement to surface.

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. 2/24/98 - acw

24.

SIGNED

TITLE Agent

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

5-19-97

SPECIAL STIPULATIONS

ATTACHED

(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

TITLE

DATE

*See Instructions On Reverse Side