

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 PIERCS) 915-683-2886

## 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

330' FSL &amp; 300' FEL SEC. 34 T23S-R29E

At proposed prod. zone

SAME

SECRETARY'S POTASH

Potash

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

Approximately 6 miles East Northeast of Malaga New Mexico

## 13. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

## 16. NO. OF ACRES IN LEASE

640

## 17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

## 18. DISTANCE FROM PROPOSED\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

NA

## 19. PROPOSED DEPTH

8300'

## 20. ROTARY OR CABLE TOOLS

ROTARY

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

3095' 3090' GR.

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

WHEN 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
17 1/2"	H-40 13 3/8"	48	475'	500 Sx. circulate cement to surface
12 1/2"	J-55 8 5/8"	32	2600'	1050 Sx. " " " "
7 7/8"	J-55 5 1/2"	17	8300'	1050 Sx. estimate top cem. 4200'

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 475'. Run and set 475' of 13 3/8" H-40 48# ST&C casing. Cement with 500 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 12 1/2" hole to 2600'. Run and set 2600' of 8 5/8" J-55 32# ST&C casing. Cement with 900 Sx. of Halco Light cement + additives, tail in with 150 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 8300'. Run and set 8300' of 5 1/2" J-55 17# LT&C casing. Cement with 800 Sx. of Class "H" Halco Light cement + additives, tail in with 250 Sx. of Premium 50/50 POZ, estimate top of cement 4200'.

\* tie back to intermediate

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 proposed casing and cementing program.

## 24.

SIGNED

TITLE Agent

DATE 02/14/98

(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

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
			WILDCAT
Property Code	Property Name		Well Number
	COCHITI "34" FEDERAL		1
OGRID No.	Operator Name		Elevation
147380	PENWELL ENERGY INC.		3095'

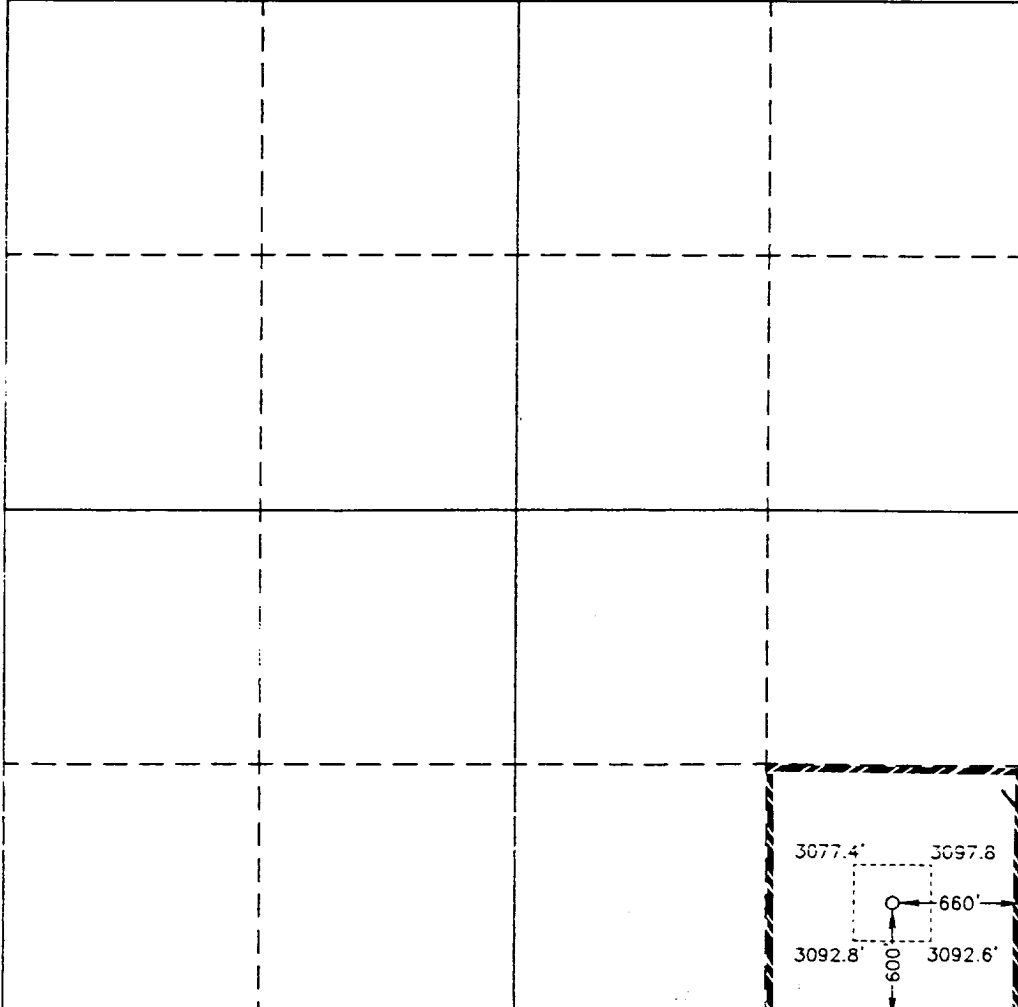
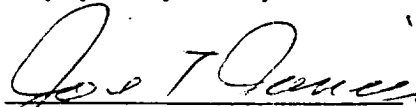
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	23 S	29 E		600	SOUTH	660	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		Joint or Infill	Consolidation Code		Order No.				
40									

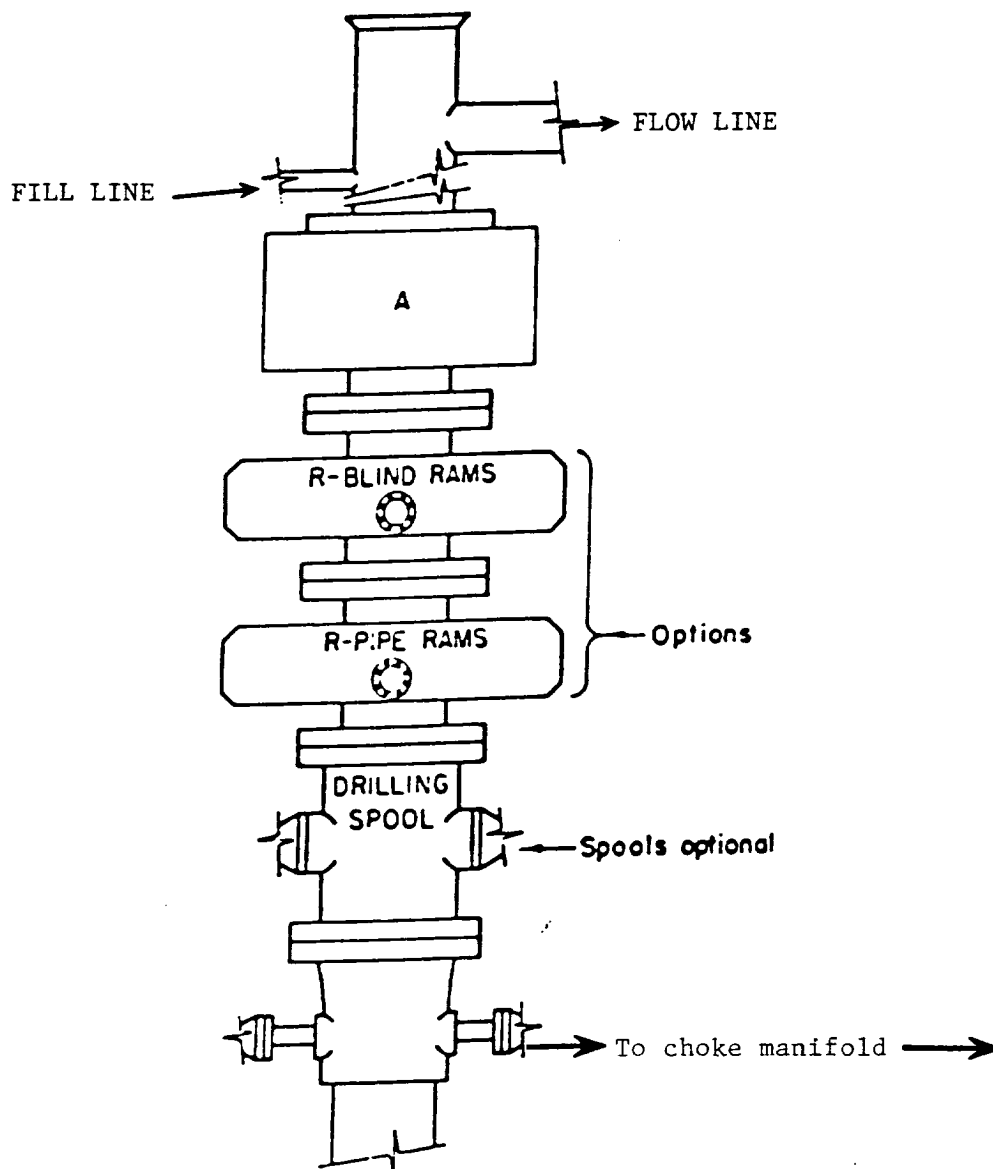
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Joe T. Janica Printed Name Agent Title 10/08/98 Date	
	<b>SURVEYOR CERTIFICATION</b> <i>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.</i> Date Surveyed <u>October 7, 1998</u> Signature <u>GARY L. JONES</u> Professional Surveyor Certificate No. <u>8456</u> 7977 BASIN SURVEYS	

BLM  
ROSWEIL, NM

SEP 19 98

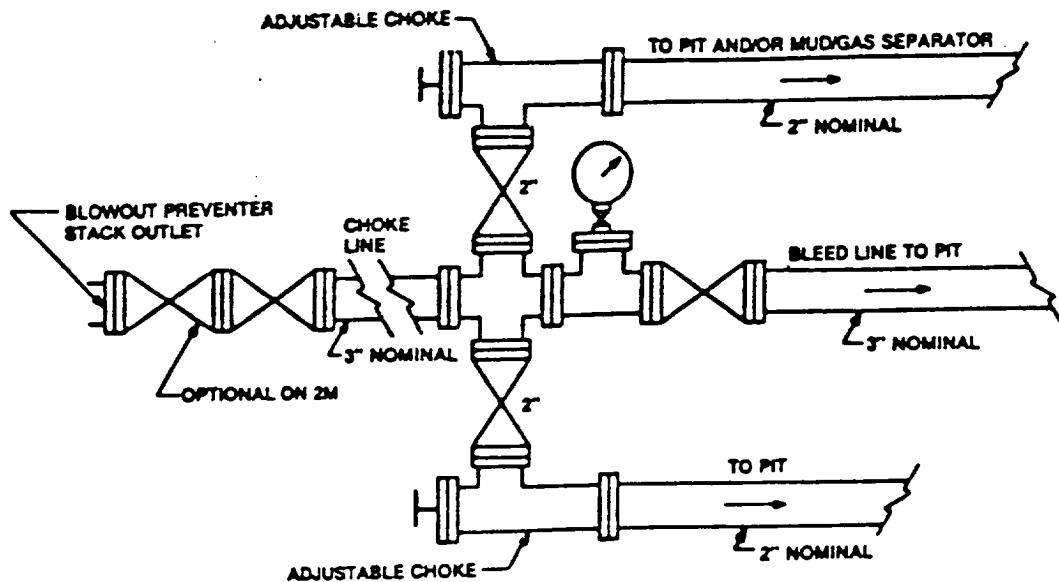
RECEIVED



# **ARRANGEMENT SRRA**

900 Series  
3000 PSI WP

EXHIBIT "E"  
B.O.P. SKETCH TO BE USED ON  
PENWELL ENERGY, INC.  
COCHITI "34" FEDERAL # 1  
UNIT "P" SECTION 34  
T23S-R29E EDDY CO. NM



Typical choke manifold assembly for 3M WP system

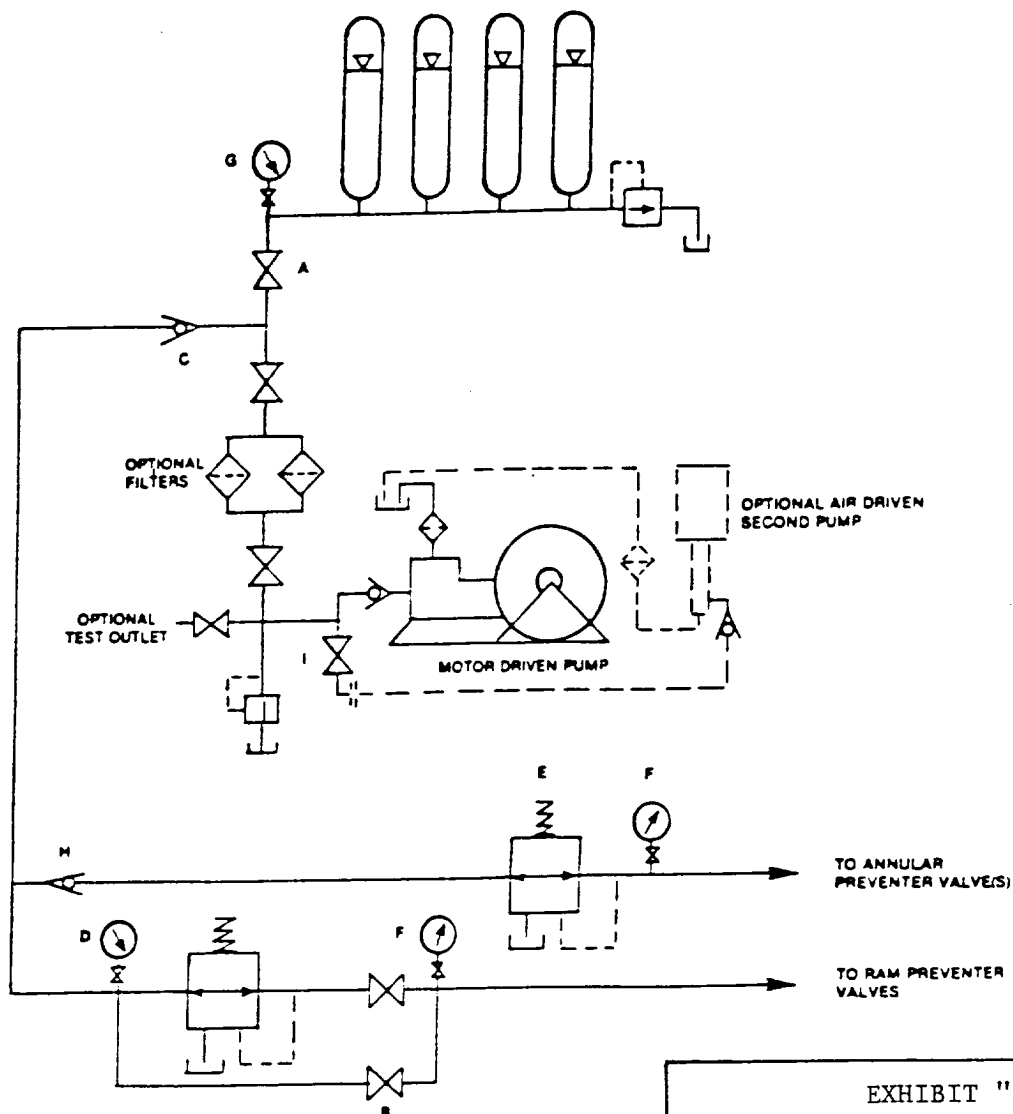


EXHIBIT "E-1"  
CHOKE MANIFOLD & CLOSING UNIT

PENWELL ENERGY, INC.  
COCHITI "34" FEDERAL # 1  
UNIT "P" SECTION #5  
T23S-R29E EDDY CO. NM