

OPERATOR'S COPY

CISF

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Penwell Energy, Inc.

3. Address and Telephone No.

600 N. Marienfeld, Suite 1100, Midland, TX 79701, 915-683-2534

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FEL, Sec 1, T-22S, R-25E

5. Lease Designation and Serial No.

NM 02500A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Stetson "1" Fed. #1

9. API Well No.

30-015-29272

10. Field and Pool, or Exploratory Area

Hackberry Hills/Wildcat Delaware

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Spud & Casing
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

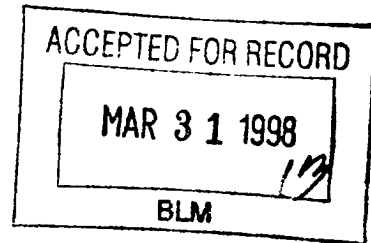
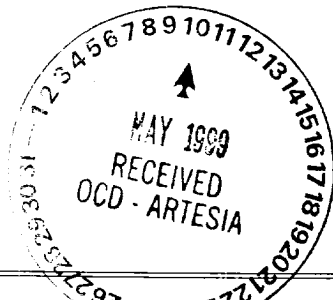
Spudded 17 1/2" hole at 5:30PM CST 12/7/96.

On 12/9/96 ran 6 jts. of 13 3/8", 48#, 8rd, STC new csg., set @ 256' w/260 sx. of CI "C" Neet w/5#/sx gilsonite+1/4#/sx flocele+2% CaCl2. Circ 66 sx to pit.

On 12/27/96 ran 120 jts of 5 1/2", 17#, J-55, 8rd. LTC new sg., set @ 5200' w/875 sx. Class "C" Neet plus additives.

On 3/16/97 well was removed from report pending evaluation of swab test results.

3/11/98 - Well SI, prep. to P&A



14. I hereby certify that the foregoing is true and correct

Signed Linda Walker

Title Regulatory Analyst

Date 03/11/98

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side