

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

*CLSF
Up*

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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

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

WELL API NO. 30-015-29776
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No. V-4070
Lease Name or Unit Agreement Name Southern Cross "16" State
Well No. 1
Pool name or Wildcat Und. North Antelope Sink Morrow

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

Type of Well:
OIL WELL GAS WELL OTHER

Name of Operator
Penwell Energy, Inc.

Address of Operator
600 N. Marienfeld, Suite 1100, Midland, Tx 79701

Well Location
Unit Letter L : 990 Feet From The West Line and 1650 Feet From The South Line
Section 16 Township 18S Range 24E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3800' GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9/16/97 Ran 28 jts. of 9 5/8", 36#, J-55 casing and BJ Services cemented w/800 sx. of Class "C" Neet. PD @ 3:30AM 9/16/97. Did not circulate cement. Will run 1" and bring cement to surface.

9/17/97 Found TOC by TS @ 600'. Ran 1" back to 20 feet from surface. At report time, preparing to cement to surface w/redi-mix.

10/24/97 Ran 213 jts. 4 1/2" , 11.6#, N-80, 8rd, LTC new API csg. & set @ 8580' . Ran centralizers and sand blasted csg. across all zones of interest. BJ Services cemented w/630 sx. of Super Modified "H" cement containing 15#/sk. pozmix + 11#/sk. BA-90 bonding agent + .5% FL-25 + 4.3% salt + .3%CD-32 mixed @ 13.00ppg, yield 1.71 cu. ft. sk., mixing water 8.87 gals/sk. PD to 8532' @ 7:30AM CST, 10/23/97. Had full returns throughout cement job. Floats held OK, ND BOP, set slips w/78,000# string wt., cut-off csg. NU tbg. head. Jet and clean pits, rig released 11:30AM CST, 10/23/97.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Linda Walker TITLE Regulatory Analyst DATE 07-31-98

TYPE OR PRINT NAME _____ TELEPHONE NO _____

(This space for State Use)

**ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR**

APPROVED BY _____ TITLE _____ DATE 8-7-98

CONDITIONS OF APPROVAL, IF ANY _____