

APPLICATION TO DRILL

PENWELL ENERGY, INC.
WEST CORBIN "19" FEDERAL #2
2173' FSL & 660' FWL
SECTION 19, T18S, R33E
LEA COUNTY, NEW MEXICO

In response to questions asked under Section II B of Bulletin NTL-6, the following information is provided. For your consideration:

1. LOCATION: 2173' FSL & 660' FWL, Sec. 19, T18S, R33E, Lea Co. NM.
2. ELEVATION ABOVE SEA LEVEL: 3797'.
3. GEOLOGIC NAME OF SURFACE FORMATION: Kermit soils-Dune Land
- 4.. DRILLING TOOLS AND ASSOCIATED EQUIPMENT: Conventional rotary drilling rig using mud for the circulation medium.
5. PROPOSED DRILLING DEPTH: 11,350'.
6. ESTIMATED GEOLOGICAL MARKER TOPS:

Anhydrite	1252'	Delaware	5360'
Yates	2855'	Bone Springs	8652'
Seven Rivers	3340'	Wolfcamp	10340'
Queen	3790'	T.D.	11350'
San Andres	4860'		

7. POSSIBLE MINERAL BEARING FORMATION:

Yates	Oil
Bone Spring	Oil
Strawn	Oil
Wolfcamp	Oil

8. CASING PROGRAM:

Hole Size	Interval	OD Csg	Weight	Thread	Collar	Grade	Cond.
17 1/2"	0-450'	13 3/8"	48#	8-R	ST&C	H-40	New
11"	450 ⁰ -2850'	8 5/8"	32 ⁴⁰ #	8-R	ST&C	J-55	New
7 7/8"	2850 ⁰ -11350'	5 1/2"	17#	8-R	LT&C	N-80	New