

PENWELL ENERGY, INC.
WEST CORBIN "19" FEDERAL, WELL NO. 2
APPLICATION FOR PERMIT TO DRILL

PAGE 3

12. TESTING, LOGGING AND CORING PROGRAM:

- A. Gamma Ray - Surface casing to T.D. @ 11,350'.
- B. CNL-LDT, D11-MFL - Below 8 5/8" to T. D.
- C. Coring - None planned.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H₂S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 2000 PSI, estimated BHT 135°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after BLM approval of APD. Anticipated spud date is June 10, 1996. Drilling is expected to take 18 - 24 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The Wolfcamp pay will be perforated and stimulated. The well will be swab tested and potentialized as an oil well.