

Form 3160-3
(July 1992)

N.M. OILC OPER. OGRID NO. 147380

O. BOX PROPERTY NO. 1877

UNITED POOL CODE 17644

DEPARTMENT OF EFF. DATE 3/19/96

BUREAU OF LAND API NO. 30-025-33344

APPLICATION FOR PERM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

FEB 29 1996

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

PENWELL ENERGY INC.

(GORDON BARKER)

3. ADDRESS AND TELEPHONE NO.

1100 ARCO BUILDING 600 N MERINFELD MIDLAND, TEXAS 79701

Phone 817-683-2534

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 1980' FSL & 660' FWL SEC. 24 T23S-R32E Lea Co.

At proposed prod. zone Same

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

Approximately 30 miles Southwest of Eunice New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

280

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH

10,350'

20. ROTARY OR CABLE TOOLS

Rotary

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

3717 GR. Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START*

As soon as approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20" Conductor	NA	40'	Cement to surface/Redimix
17 1/2"	K-55 13 3/8"	54.5	550'	500 Sx Circulate cement to surface
12 1/4"	K-55 8 5/8"	24 & 32	4850'	1250 Sx " " "
7 7/8"	K-55&N-80 5 1/2"	17	10350'	650 Sx Estimated top of cement 7500'

1. Drill 26" hole to 40". Run and set 40' of 20" conductor pipe cement to surface/Redimix.
2. Drill 17 1/2" hole to 550'. Run and set 550' of 13 3/8" 54.5# K-55 8-R ST&C casing. Cement with 300 Sx Class "C" Light 1/2# flocele/Sx + 5# Gilsonite/Sx + 2% CaCl, tail in with 200 Sx Class "C" + 3% CaCl. Circulate cement to surface.
3. Drill 12 1/4" hole to 4850'. Run and set 2550' of 8 5/8" 32# K-55 8-R ST&C + 2300' of 8 5/8" 24# K-55 8-R ST&C casing. Cement with 1000 Sx Class "C" Light + 1/2# flocele/Sx + 5# Gilsonite/Sx + 8% Salt + 2% CaCl, tail in with 250 Sx Class "C" + 2% CaCl. Circulate Cement to surface.
4. Drill 7 7/8" hole to 10,350'. Run and set 3200' of 5 1/2" N-80 17# 8-R LT&C + 4900' of 5 1/2" K-55 17# 8-R LT&C + 2250' of 5 1/2" N-80 17# 8-R LT&C casing. Cement with 400 Sx Class "H" Light + 1/4# flocele/Sx + 1# Gilsonite/Sx + 5% Salt, tail in with 250 Sx Class "H" + 5% Salt + .6% Halad 9 + .6% Halad 322. Estimated top of cement 7500'.

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 blowout preventer program, if any.

24.

SIGNED

Joe T. Janica

Agent

DATE 02/29/96

(This space for Federal or State office use)

PERMIT NO.

Subject to
General Requirements and
Special stipulations

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:

/s/ Yolanda Vega

ASSISTANT AREA MANAGER

APPROVED BY

TITLE

DATE

3-11-96

*See Instructions On Reverse Side

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.