

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Penwell Energy, Inc.

3. ADDRESS AND TELEPHONE NO.

600 N. Marienfeld, Ste. 1100, Midland, Texas 79701

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

At surface 430'

330' FSL & 330' FWL

At proposed prod. zone

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

32 mi W of Dal n.m.

15. DISTANCE FROM PROPOSED*

LOCATION ON TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

320

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.

N.A.

19. PROPOSED DEPTH

9,000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3582' GR

22. APPROX. DATE WORK WILL START*

July 15, 1996

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	H-40 13 3/8	48#	500'	350 sx Cl. C + 3% Ca
11"	J-55 8 5/8	32#	4800'	1100 sx C Lite + 250 sx C Nee
7 7/8"	L-80 5 1/2	17#	9000'	600 sx Cl. H (est. TOC 4500')

OPER. OGRID NO. 14738D

PROPERTY NO. 19201

POOL CODE 53800

EFF. DATE 7/16/96

AP. NO. 30-025-33515

General Instructions
and
Special stipulations
Attached

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.

SIGNED

Brenda Coffman

TITLE Production Analyst

DATE May 31, 1996

(This space for Federal or State office use)

PERMIT NO.

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:

APPROVED BY

Acting AREA MANAGER

TITLE

Acting AREA MANAGER

DATE

JUL 8 1996

*See Instructions On Reverse Side

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-86924
2. Name of Operator Penwell Energy, Inc.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 600 N. Marienfeld, Ste. 1100, Midland, Texas 79701	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 430' FSL & 330' FWL, Sec. 8, T23S, R32E	8. Well Name and No. Tomcat 8 Federal #1
	9. API Well No.
	10. Field and Pool, or Exploratory Area Sand Dunes Bone Sp.
	11. County or Parish, State Lea

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Location Change</u>	<input type="checkbox"/> 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.)*		

Attached, per your request, is plat changing location from 330' FSL & 330' FWL to 430' FSL & 330' FWL.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Brenda Coffman</u>	Title <u>Production Analyst</u>	Date <u>6-21-96</u>
(This space for Federal or State office use)		
Approved by <u>/s/ TIMOTHY J. BURKE</u>	Title <u>Acting TRAC MANAGER</u>	Date <u>JUL 19 1996</u>
Conditions of approval, if any		

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33515		Pool Code 53805 53800	Pool Name Sand Dunes Bone Springs S.E.
Property Code NM 86924 19201	Property Name Tomcat 8 Federal		Well Number 1
GRID No. 147380	Operator Name Penwell Energy Inc.		Elevation 3578'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	8	23 S	32 E		430	South	330	West	LEA

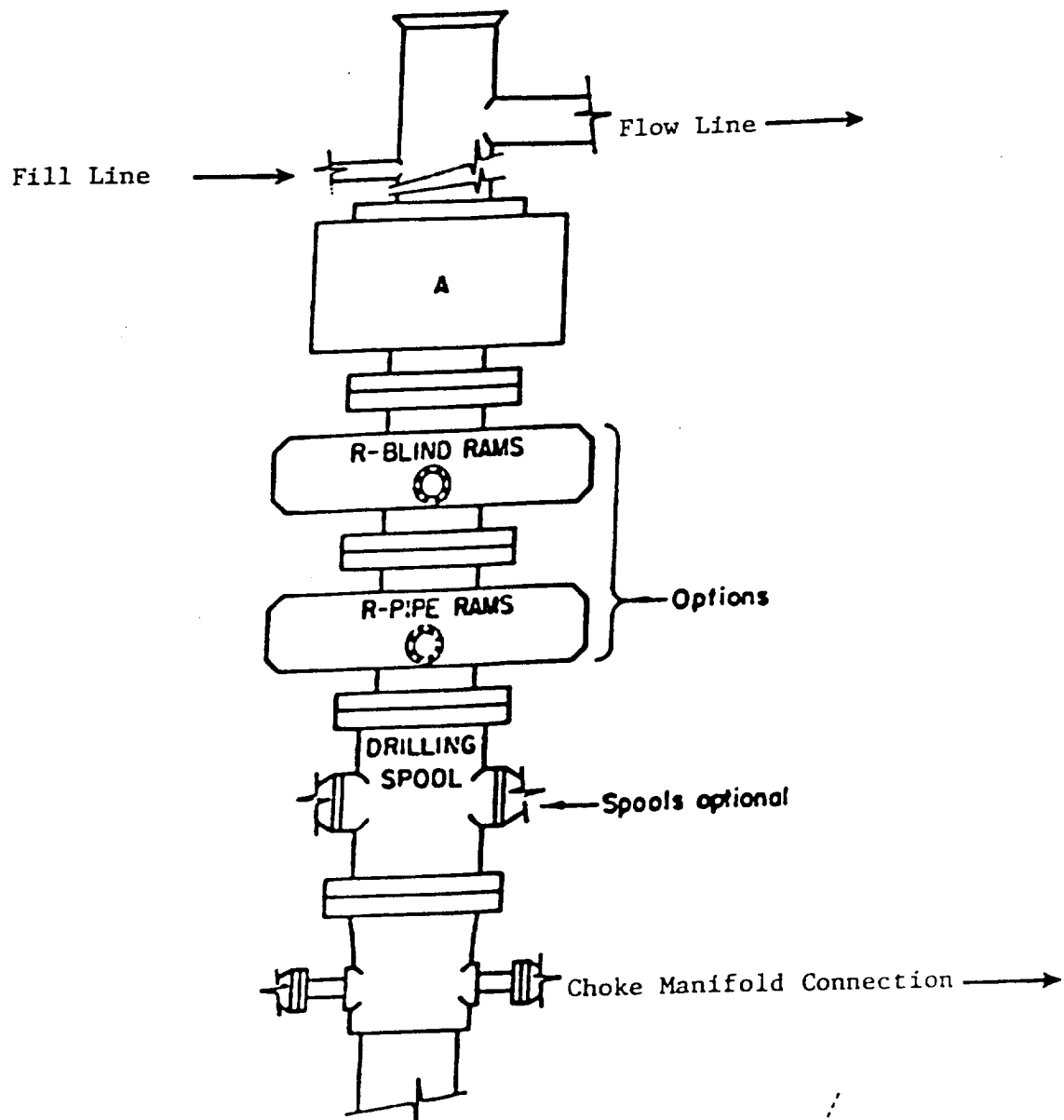
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief</i> _____ Signature Brenda Coffman Printed Name Production Analyst Title June 21, 1996 Date
	SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i> June 11, 1996 Date Surveyed _____ Signature & Seal of Professional Surveyor W.O. No. 6192c/6245 Certificate No. Gary L. Jones 7977



ARRANGEMENT SRRA

900 Series
3000 PSI WP

APPLICATION TO DRILL

PENWELL ENERGY, INC.
TOMCAT "8" FEDERAL #1
330' FSL & 330' FWL
SECTION 8, T23S, R32E
LEA COUNTY, NEW MEXICO

1. LOCATION: 330' FSL & 330' FWL, Sec. 8, T23S, R32E, Lea Co. NM.
2. ELEVATION ABOVE SEA LEVEL: 3582'.
3. GEOLOGIC NAME OF SURFACE FORMATION:
4. DRILLING TOOLS AND ASSOCIATED EQUIPMENT: Conventional rotary drilling rig using mud for the circulation medium.
5. PROPOSED DRILLING DEPTH:
6. ESTIMATED GEOLOGICAL MARKER TOPS:

Lamar	4800'	Bone Spring	8700'
Bell Canyon	4900'		
Cherry Canyon	5900'		
Brushy Canyon	7300'		

7. POSSIBLE MINERAL BEARING FORMATION:

OIL

Lamar	4800'	Bone Spring	8700'
Bell Canyon	4900'		
Cherry Canyon	5900'		
Brushy Canyon	7300'		

CASING PROGRAM:

Hole Size	Interval	OD Csg	Weight	Thread	Collar	Grade	Cond.
17 1/2"	0-500' ±	13 3/8"	48#	8-R	ST&C	H-40	New
11"	500 0-4800'	8 5/8"	32#	8-R	ST&C	J-55	New
7 7/8"	4800 0-9000'	5 1/2"	17#	8-R	LT&C	L-80	New

PENWELL ENERGY, INC.
TOMCAT "8" FEDERAL #1
APPLICATION FOR PERMIT TO DRILL

PAGE 2

9. CASING CEMENTING & SETTING DEPTH:

13 3/8"	Surface	Set 500' of 13 3/8" 48#, 8rd, ST&C, H-40 new casing. Cement with 350 sacks Class "C" + CaCl ₂ Circulate cement to surface.
8 5/8"	Intermediate	Set 4800 of 8 5/8" 32#, J-55 ST&C casing. Cement with 1100 sx "C" Lite + 250 sx "C" Neet. Cement circulate to surface.
5 1/2"	Production	Set 5 1/2", 17#, 8rd, LT&C, L-80 casing at 9,000'. Cement with 600 sx Class "H" . Estimated top of cement @ 4,800' 500'.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E". A Blow-out Preventer (no less than 900 Series 3000 PSI working pressure) consisting of double ram type preventer with bag type preventer. Units will be hydraulically operated. Exhibit "E-1" Choke Manifold and Closing Unit. Blind rams on top, pipe rams on bottom to correspond with size of drill pipe in use. BOP will be nipped up on 13 3/8" casing and remain on well until casing is run and cemented. BOP will be tested as well as choke manifold. BOP will be worked at least once each day while drilling & blind ram will be worked on trips when no drill pipe is in hole. Full opening stabbing valve and upper kelley cock will be utilized. Anticipated BHP 2000 PSI and 110° BHT.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD. WT.	MUD VISC.	FLUID LOSS	TYPE MUD
0'-500'	8.4	28	NC	Fresh water spud mud, use paper for seepage control .
500 - 4800'	10	29	NC	Brine water, use paper for seepage control and lime for pH control.
4800 - 9000'	9.0 - 10.0#	29 - 38	10 cc's or less	Cut brine w/Drispac, starch, soda ash & lime.

Sufficient mud materials to maintain mud properties, meet lost circulation and weight increase requirements will be kept at wellsite at all times. In order to run casing and log well viscosity may have to be raised and water loss may have to be lowered.

PENWELL ENERGY, INC.
TOMCAT "8" FEDERAL #1
APPLICATION FOR PERMIT TO DRILL

PAGE 3

12. TESTING, LOGGING AND CORING PROGRAM:

- A. Gamma Ray - Surface casing to T.D. @ 9,000'.
- B. CNL-LDT,D11-MFL - Below 8 5/8" to T. D.
- C. Coring - None anticipated.
- D. DST'S - None anticipated.

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 1600 PSI, estimated BHT 100°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after BLM approval of APD. Anticipated spud date is July 15, 1996. Drilling is expected to take 24 days. If production casing is run an additional 10 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 Bone Springs pay will be perforated and stimulated. The well will be swab tested and potentialized as an oil well.