

Administrative Order NSL-4626-A (BHL)  
Primal Energy Corporation  
March 20, 2002  
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line of Section 1.

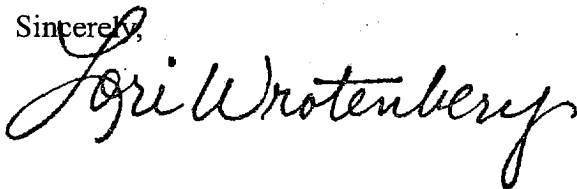
Further, the area comprising all of irregular Section 1 is a single state lease issued by the New Mexico State Land Office (State Lease No. VA-1222) in which Primal is the recognized leasehold operator; therefore, there are no adversely effected offsets to the subject 40-acre tract.

By the authority granted me under Division Rule 104.F (2), Primal is hereby authorized to recomplete its Knowles Well No. 1 as close as is reasonably possible to a targeted subsurface location within the Devonian formation underlying the proposed 40-acre unit comprising Lot 10 (Unit J) of irregular Section 1 considered to be unorthodox 3736 feet from the North line and 1520 feet from the East line of Section 1.

Further, Primal shall comply with all provisions of Division Rule 111 applicable in this matter.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs /  
New Mexico State Land Office - Santa Fe  
File: NSL-4626  
Joe Gilmer, Gilmer and Associates - Midland, Texas ([joedadgilmer@msn.com](mailto:joedadgilmer@msn.com))

