

121938923 NSL



**PRIMAL ENERGY
CORPORATION**

211 HIGHLAND CROSS, SUITE 227
HOUSTON, TEXAS 77073
281-821-5600
281-821-5602 fax

GEI

JUL 6 2001

CONSERVATION DIV.

July 3, 2001

State of New Mexico
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Att: Michael Stogner

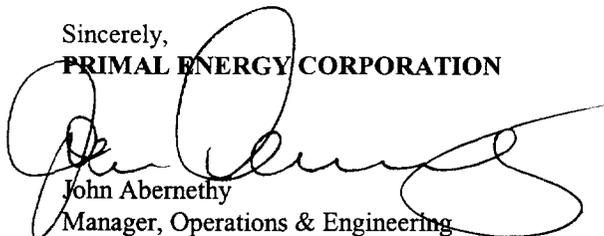
Dear Sir:

Primal Energy Corporation as current operator of the Knowles #1, Sec. 1, 16S, 38E, Lea County, requests that the attached be made a part of our previous application for an unorthodox well location.

This application is necessary due to the condition of the current borehole. The well will be directionally drilled to a location that will give better porosity without sacrificing structure.

Please review this application and if further information is needed, please call.

Sincerely,
PRIMAL ENERGY CORPORATION



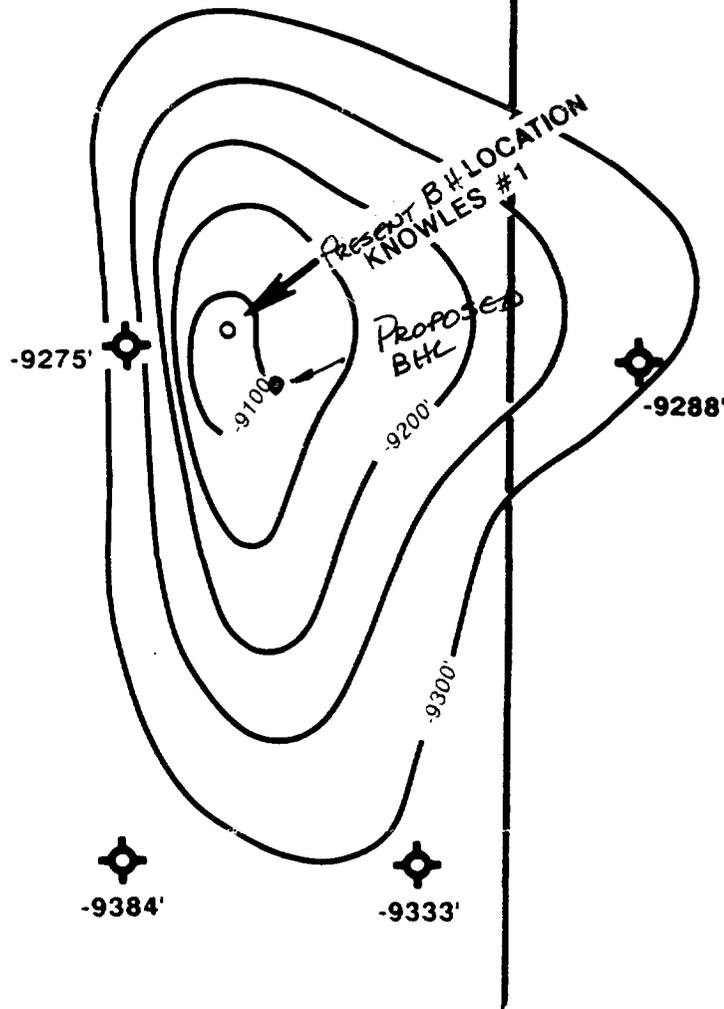
John Abernethy
Manager, Operations & Engineering

R-38-E

1

R-39-E

T
16
S



GEOLOGICAL PLAT DEVONIAN STRUCTURE

PROPOSED LOCATION
LEA COUNTY, NEW MEX.

1"=1000'

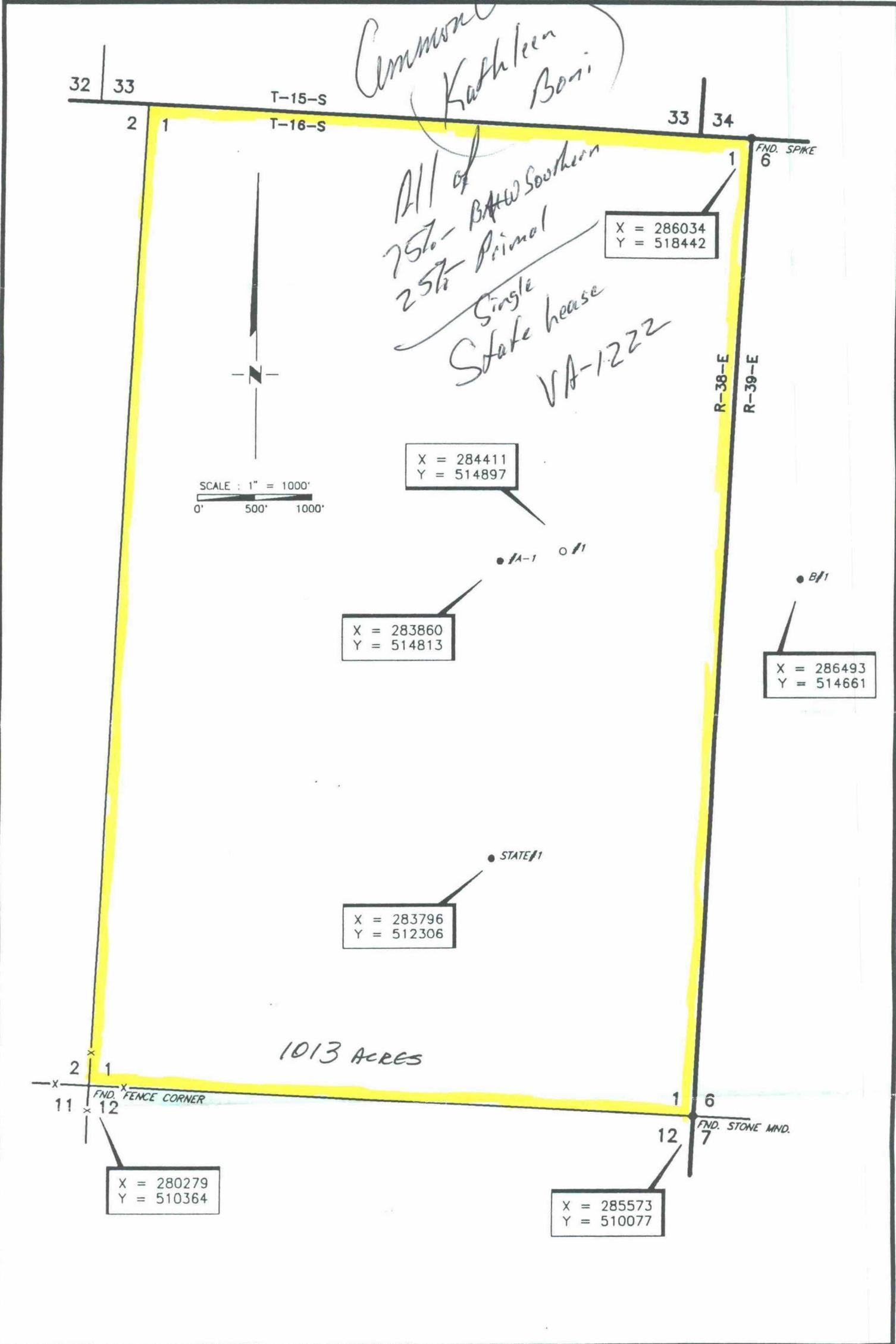
CI=50'

PLAT SHOWING X AND Y COORDINATES FOR
 EXISTING WELLS AND LOCATIONS IN
 SECTION 1, T-16-S, R-38-E, N.M.P.M.
 LEA COUNTY, NEW MEXICO

Phone Conversation

*Common Owner
 Kathleen
 Bori*

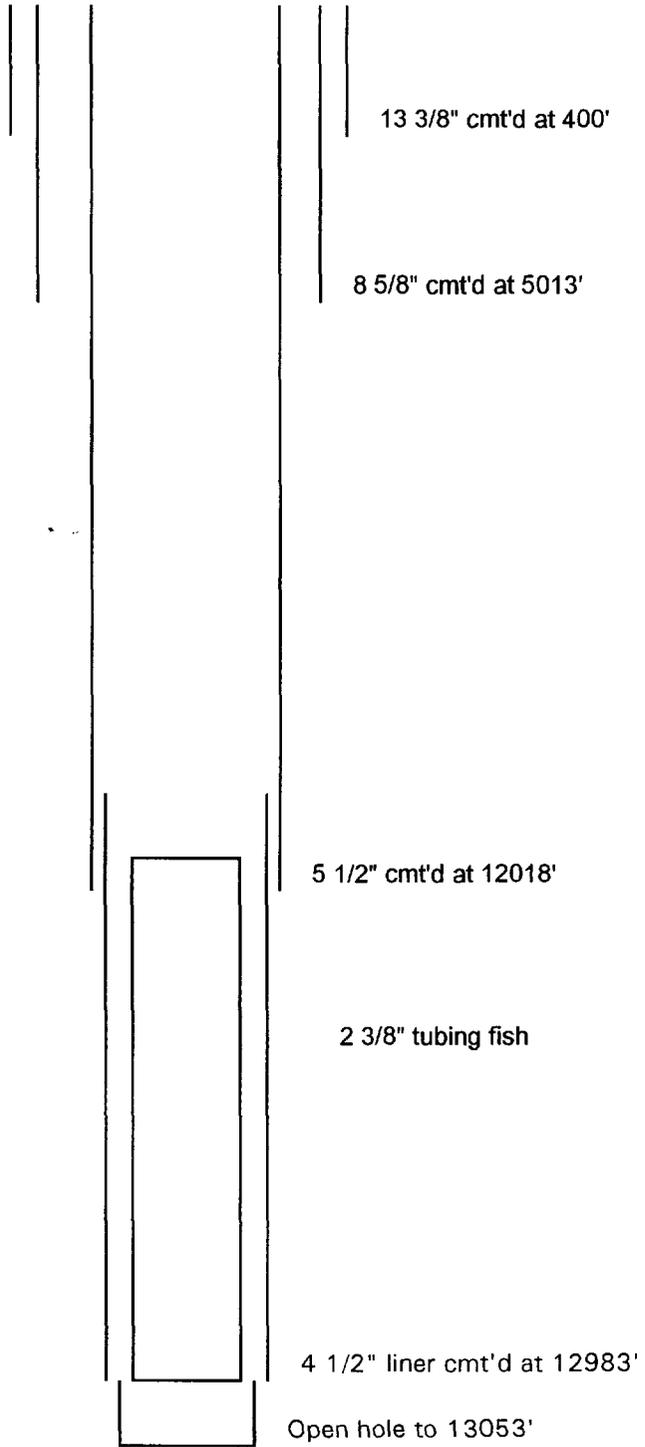
*All of
 75% - B&W Southern
 25% - Primal
 Single
 State lease
 VA-1222*



1013 Acres

				PRIMAL ENERGY CORPORATION		SCALE: AS SHOWN	
				Houston, Texas		DATE: OCTOBER 29-1995	
NO.	REVISION	DATE	BY	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS MIDLAND, TEXAS		JOB NO.: 41721-2	
SURVEYED BY: S.M.						95 NE	
DRAWN BY: V.H.B.						SHEET	
APPROVED BY: V.I.R.							

Knowles #1
Lea CO., NM
Present Wellbore Schematic



Knowles #1
Lea CO., NM
Proposed Wellbore Schematic

Cut window in 5 1/2" @ ± 11650'. Drill
4 3/4" hole to ± 13000'. Run and cement
3 1/2" liner and complete in
Devonian.

13 3/8" cmt'd at 400'

8 5/8" cmt'd at 5013'

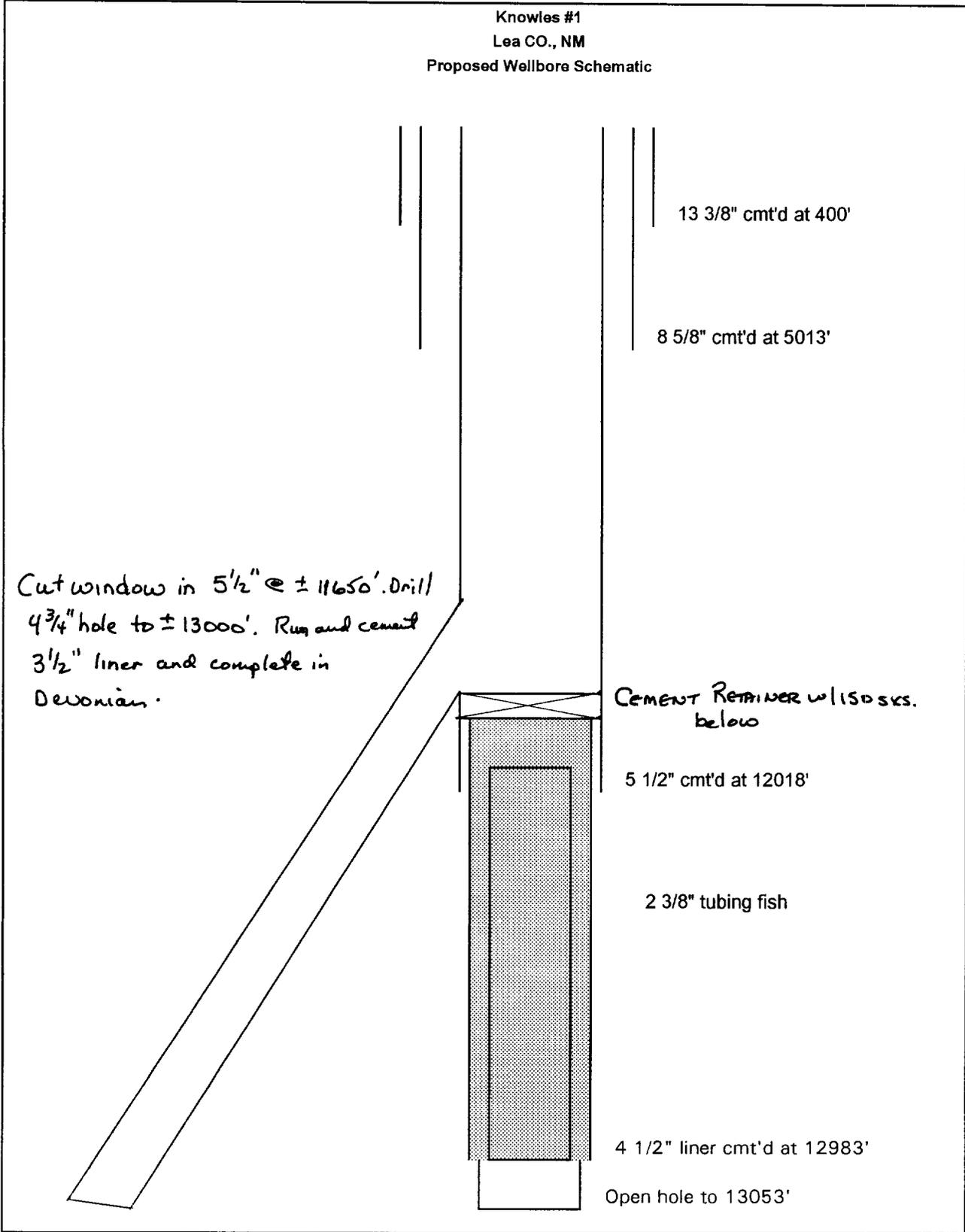
CEMENT RETAINER w/ 150 SKS.
below

5 1/2" cmt'd at 12018'

2 3/8" tubing fish

4 1/2" liner cmt'd at 12983'

Open hole to 13053'



**PRIMAL ENERGY
CORPORATION**

211 HIGHLAND CROSS, SUITE 227
HOUSTON, TEXAS 77073
281-821-5600
281-821-5602 fax

RECEIVED
JUN 22 2001

June 19, 2001

State of New Mexico
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Att: Michael Stogner

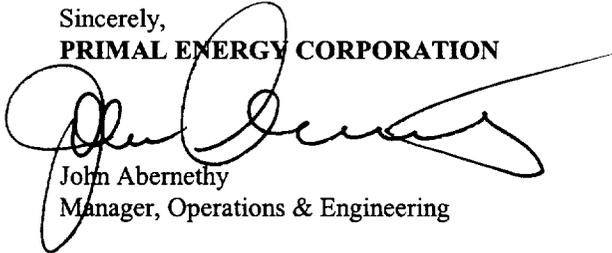
Dear Sir:

Primal Energy Corporation as current operator of the Knowles #1, Sec. 1, 16S, 38E, Lea County, requests an amendment to previously approved unorthodox oil well location (Case #11415, Order # R-10509).

The well was originally drilled in 1996. During drilling operations a DST string was lost which resulted in the well having to be side tracked. Recently, we attempted to clean out the well to improve production and found that the 4 ½" production liner was damaged beyond repair. We find it now necessary to cut a window in the 5 ½" casing and sidetrack the well. This proposal will result in a new bottom hole location as shown on the attached C-102.

Please review this application and if further information is needed, please call.

Sincerely,
PRIMAL ENERGY CORPORATION


John Abernethy
Manager, Operations & Engineering

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO 30-025-33177
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-1222
7. Lease Name or Unit Agreement Name Knowles
8. Well No. 1
9. Pool name or Wildcat Southeast Denton - Devonian

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL GAS
WELL WELL OTHER

2. Name of Operator
Primal Energy Corporation

3. Address of Operator
211 Highland Cross, Suite #227, Houston, TX 77073

4. Well Location
Unit Letter J 3627 Feet From The N Line and 1425 Feet From The E Line
Section 1 Township 16S Range 38E NMPM Lea County
10 Elevation (Show whether DF, RKB, RT, GR, etc.)
3717' GR

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

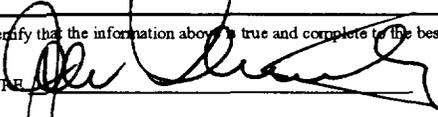
SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG & ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST & CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1. Pulled production string from hole on 5/4/2001.
2. Washed over tubing fish and retrieved 1 1/2 joints tubing.
3. Scale inside and outside made further fishing impossible.
- 4 Shut well in; evaluating for possible side track.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Manager, Operations and Engineering DATE 05/08/01
 TYPE OR PRINT NAME John Abernethy TELEPHONE NO. 281-821-5600

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C -101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Primal Energy Corporation 211 Highland Cross, Suite #227 Houston, TX 77073		² OGRID Number 142316
		³ API Number 30-025-33177
⁴ Property Code 17759	⁵ Property Name Knowles	⁶ Well No. 1

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	N/S Line	Feet from the	E/W Line	County
J	1	16S	38E	10	3,627	N	1,425	E	Lea

⁸Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	N/S Line	Feet from the	E/W Line	County
I	1	16S	38E	9	3,940	N	1,246	E	Lea

⁹ Proposed Pool 1 Southeast Denton-Devonian	¹⁰ Proposed Pool 2
---	-------------------------------

¹¹ Work Type Code D	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3,717'
¹⁶ Multiple N	¹⁷ Proposed Depth 13,100'	¹⁸ Formation Devonian	¹⁹ Contractor Basic	²⁰ Spud Date 6/18/01

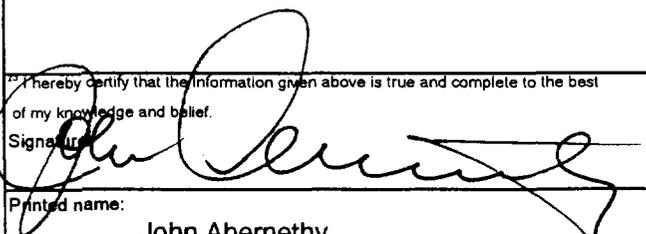
²¹ Proposed Casing and Cementing Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
	13 3/8"	Existing			
	8 5/8"	Existing			
	5 1/2"	Existing			
4 3/4"	3 1/2"	9.2 ppf	13'100' MD	130 sx.	11,150' TOL

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Set retainer in 5 1/2" at 11,685' and squeeze existing perforations and liner with 150 sx.
2. Set whipstock and mill window in 5 1/2" at 11,650'.
3. Directionally drill to proposed new bottom hole.
4. Run and cement 3 1/2" liner and complete in Devonian.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: 

Printed name: John Abernethy

Title: Mgr. Oper. & Eng.

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

DISTRICT I
 PO Box 1980, Hobbs, NM 88241-1980
 DISTRICT II
 811 South First, Artesia, NM 88210
 DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410
 DISTRICT IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33177		² Pool Code 96644		³ Pool Name Southeast Denton-Devonian	
⁴ Property Code 17759		⁵ Property Name Knowles			⁶ Well Number 1
⁷ OGRID No. # 142316		⁸ Operator Name Primal Energy Corporation			⁹ Elevation 3,717'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
J	1	16S	38E	10	3,627	N	1,425	E	Lea

¹¹ 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
I	1	16S	38E	9	3,940	N	1,246	E	Lea

¹² Dedicated Acres 40.0	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature John Abernethy Printed Name Manager, Operations & Engineering Title 6/8/01 Date	
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from fieldnotes 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> Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____	

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 11415
ORDER NO. R-10509

APPLICATION OF BROWNING OIL COMPANY, INC. FOR AN UNORTHODOX
OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 2, 1995, in Roswell, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 7th day of November, 1995, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Browning Oil Company, Inc., seeks approval of an unorthodox oil well location for its Knowles Well No. 1 to be drilled 3627 feet from the North line and 1425 feet from the East line (Lot 10/Unit J) of irregular Section 1, Township 16 South, Range 38 East, NMPM, to test the Devonian formation, Lea County, New Mexico.

(3) The proposed well location is not within one mile of any designated Devonian pool and is therefore classified as a "wildcat oil well" and is subject to the Division's Statewide Rules and Regulations which require standard 40-acre spacing and proration units with wells to be located no closer than 330 feet from the outer boundary of the spacing unit.

(4) Lot 10 of said Section 1 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit.

(5) This case was styled such that in the absence of objection this case would be taken under advisement.

(6) No appearances were made in this case at the time of the hearing.

(7) All acreage offsetting the proposed 40-acre tract is within the same State lease (New Mexico State Land Office Oil and Gas Lease No. VA-1222) as the subject tract. Therefore, pursuant to Division Rule 1207.A(5), no notice was required by the applicant to any offset operator and/or interest owner in this case.

(8) The applicant submitted a geological interpretation based upon well control and surface seismic data of the Devonian formation in the immediate area which indicates that a well drilled at the proposed unorthodox location should penetrate a small localized structure within the Devonian formation at a more advantageous position than a well drilled at a standard oil well location within the subject 40-acre tract, thereby increasing the likelihood of obtaining commercial production.

(9) Approval of this application will afford the applicant the opportunity to test for and, if successful, produce its just and equitable share of the oil in the Devonian formation, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Browning Oil Company, Inc. to drill its Knowles Well No. 1 at an unorthodox oil well location 3627 feet from the North line and 1425 feet from the East line (Lot 10/Unit J) of irregular Section 1, Township 16 South, Range 38 East, NMPM, in order to adequately test the Devonian formation, Lea County, New Mexico, is hereby approved.

(2) Lot 10 of said Section 1 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

(3) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

SEAL



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 31, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Primal Energy Corporation
211 Highland Cross - Suite 227
Houston, Texas 77073

Attention: John Abernethy

Re: *Administrative application for a subsurface well location exception for Primal Energy Corporation's Knowles Well No. 1 (API No. 30-025-33177) at an unorthodox bottomhole oil well location 3940' FNL & 1246' FEL (Lot 9/Unit I) of irregular Section 1, Township 16 South, Range 38 East, NMPM, Southeast Denton-Devonian Pool, Lea County, New Mexico.*

Dear Mr. Abernethy:

I have reviewed the information provided me on June 22 and July 6, 2001, which was submitted as Primal's request for an unorthodox subsurface Devonian oil well location within a 40-acre oil spacing and proration unit comprising Lot 9 (Unit I) of Section 1.

Our preliminary review indicates that the information provided in the application is not sufficient to process an administrative order. Please provide proof of notice per Division Rule 1207.A (2) or satisfactory explanation as to why notice is not necessary in this instance.

Thank you for your cooperation in this matter.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Hobbs

OIL CONSERVATION DIVISION

TELEPHONE LOG

COMPANY NAME: Prima Energy Corporation

PROPERTY NAME: Knowles Well No. 1

RESPONSIBLE OFFICIAL: ~~John~~ John Abernethy

APPLICATION NUMBER: NA

NAME OF ENGINEER: ~~John~~

DATE CALLED: talked to 8-6-01

TIME CALLED: _____

NOTES:

Talked w/ Kathleen Birni

VA-1222 comprised of Sec. 1

75% B+W Southern

25% Prima

State CG

100% Common throughout

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/31/01 11:36:27
OGOMES -TQKC
PAGE NO: 1

Sec : 01 Twp : 16S Rng : 38E Section Type : LONG

12 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	4 53.38 CS 0002	5 40.00 CS 0002	11 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	3 53.32 CS 0002	6 40.00 CS 0002	10 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99 A	2 53.28 CS 0002	7 40.00 CS 0002	1 53.22 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	8 40.00 CS 0002	9 40.00 CS 0002
13 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99			14 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99			15 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99			16 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99		

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/31/01 11:36:30
OGOMES -TQKC
PAGE NO: 2

Sec : 01 Twp : 16S Rng : 38E Section Type : LONG

L 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	K 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	J 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	I 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99
M 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	N 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	O 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99	P 40.00 CS VA1222 0002 B & W SOUTHERN PE 06/01/99

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

07/31/01 11:37:55
OGOMES -TQKC

API Well No : 30 25 33177 Eff Date : 11-01-2000 WC Status : A
Pool Idn : 96644 DENTON;DEVONIAN, SOUTHEAST
OGRID Idn : 154303 PRIMAL ENERGY CORPORATION
Prop Idn : 26911 KNOWLES

Well No : 001
GL Elevation: 3717

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: 10	1	16S	38E	FTG 3691 F N	FTG 1928 F E	A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : S

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 07/31/01 11:37:47
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQKC

OGRID Idn : 154303 API Well No: 30 25 33177 APD Status(A/C/P): A
Opr Name, Addr: PRIMAL ENERGY CORPORATION Aprvl/Cncl Date : 11-01-2000
211 HIGHLAND CROSS
STE 227
HOUSTON, TX 77073

Prop Idn: 26911 KNOWLES Well No: 1

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	10	1	16S	38E			FTG 3627 F N	FTG 1425 F E
OCD U/L :	J		API County :	25				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): S Ground Level Elevation : 3717

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 13053 Prpsd Frmtn : DEVONIAN

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD : ONGARD 07/31/01 14:21:21
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQKC
 Page No: 1

OGRID Identifier : 154303 PRIMAL ENERGY CORPORATION
 Pool Identifier : 96644 DENTON;DEVONIAN, SOUTHEAST
 API Well No : 30 25 33177 Report Period - From : 11 1995 To : 06 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes			Well Stat
			Gas	Oil	Water	
30 25 33177	KNOWLES	11 00				S
30 25 33177	KNOWLES	12 00 6	44	124	170	P
30 25 33177	KNOWLES	01 01 5			790	P
30 25 33177	KNOWLES	02 01				S
30 25 33177	KNOWLES	03 01				S
30 25 33177	KNOWLES	04 01				S
30 25 33177	KNOWLES	05 01				S

Reporting Period Total (Gas, Oil) : 44 124 960

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-025-33177

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
V-1222

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Knowles

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
1

2. Name of Operator
Primal Energy Corporation

9. Pool name or Wildcat
Southeast Denton - Devonian

3. Address of Operator
211 Highland Cross, Suite #227, Houston, TX 77073

4. Well Location
Unit Letter J : 3627 Feet From The N Line and 1425 Feet From The E Line
Section 1 Township 16S Range 38E NMPM Lea County

10 Elevation (Show whether DF, RKB, RT, GR, etc.)
3717' GR

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK PLUG AND ABANDON
TEMPORARILY ABANDON CHANGE PLANS
PULL OR ALTER CASING
OTHER:

REMBDIAL WORK ALTERING CASING
COMMENCE DRILLING OPNS. PLUG & ABANDONMENT
CASING TEST & CEMENT JOB
OTHER:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 1. Pull production string from hole.
- 2. Locate source of water entry and eliminate.
- 3. Remove tubing fish from hole and clean out to original TD.
- 4. Returned well to production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature]

TITLE Manager, Operations and Engineering

DATE 03/20/01

TYPE OR PRINT NAME John Abernethy

TELEPHONE NO. 281-821-5600

(This space for State Use)

APPROVED BY [Signature]

TITLE FIELD REPRESENTATIVE-II

DATE 03/20/01

CONDITIONS OF APPROVAL IF ANY:

District I
PO Box 1908, Hobbs, NM 88241-1908
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-10
Revised February 10, 1999
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address PRIMAL ENERGY CORPORATION 211 HIGHLAND CROSS, SUITE 227 HOUSTON, TX 77073		OGRID Number 154303
Reason for Filing Code CH 11/00		
AFT Number 30-0 25 33177	Well Name Devonian	Well Code 96644
Property Code 17759 26911	Property Name Knowles	Well Number 1

II. Surface Location

UT or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
J	1	16 South	38 E	10	3627'	North	1425'	East	Lea

Bottom Hole Location

UT or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
J	1	16 South	38 E	10	3691'	North	1938'	East	Lea

Lea Code S	Producing Method Code Pumping	Gas Contracting Date	C-129 Permit Number	C-129 Effective Date 11/1/00	C-129 Expiration Date 4/10/01
---------------	----------------------------------	----------------------	---------------------	---------------------------------	----------------------------------

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTB Location and Description
159639	Genesis Crude Oil L.P. 500 Dallas Ave., Suite 2500 Houston, TX 77002	2518123 2820098	0	

IV. Produced Water

POD	POD ULSTB Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PSTD	Perforations
11/18/95	10/18/96	13,053'	13,053'	12,955'-13,053'
Hole Size	Casing & Tubing Size	Depth Set	Seals Cement	

VI. Well Test Data

Date No. Oil	Gas Delivery Date	Test Date	Test Length	10g. Pressure	1g. Pressure
Choke Size	OH	Flow	Flow	AOP	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: JAMES BLAIR
 Printed Name: ATTORNEY-IN-FACT
 Title: [Signature]
 Date: 10/25/00

OIL CONSERVATION DIVISION

Approved by: Gary W. Wink
 Title: FIELD REPRESENTATIVE
 Approval Date: NOV 18 2000

Change of operator fill in the OGRID number and name of the previous operator
 Browning Oil Company, Inc., OGRID NO. 142316

Signature: Michael P. McWilliams
 Title: President
 Date: 11/1/00

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Browning Oil Company, Inc. P. O. Box 686 Giddings, Texas 78942		OGRID Number 142316
		Reason for Filing Code CO-name change only 1/1/97
API Number 30 - 0 25 33177	Pool Name Wildcat Devonian	Pool Code 96644
Property Code 17759	Property Name Knowles	Well Number 1

II. ¹⁰ Surface Location

Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	1	16 S	38E	10	3627	North	1425	East	Lea

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	1	16 S	38E	10	3695	North	1497	East	Lea

¹² Lse Code S	¹³ Producing Method Code Pumping	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
-----------------------------	--	-----------------------------------	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
159639	Genesis Crude Oil L.P. 500 Dallas Ave, Suite 3200 Houston, Texas 77002	2818123	O	

IV. Produced Water

²³ POD 2818127	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTD	²⁹ Perforations	³⁰ DHC, DC, MC
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		

VI. Well Test Data

³⁵ Date New Oil 8/29/96	³⁶ Gas Delivery Date ---	³⁷ Test Date 10/20/96	³⁸ Test Length 24 hrs	³⁹ Tbg. Pressure -	⁴⁰ Csg. Pressure 10#
⁴¹ Choke Size ---	⁴² Oil 138 bbls	⁴³ Water 8 bbls	⁴⁴ Gas TSTM	⁴⁵ AOF	⁴⁶ Test Method Pumping

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Betty Petzold*
Printed name: Betty Petzold
Title: Prod. Technician
Date: _____ Phone: 409 542-3144

OIL CONSERVATION DIVISION
Approved by: *[Signature]*
Title: DISTRICT 1 SUPERVISOR
Approval Date: FEB 17 1997

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 0 25 33177		2 Pool Code 96644		3 Pool Name Wildcat Devonian			
4 Property Code 17759		5 Property Name KNOWLES				6 Well Number 1	
7 OGBID No. 142316		8 Operator Name BROWNING OIL COMPANY				9 Elevation 3717'	

10 SURFACE LOCATION

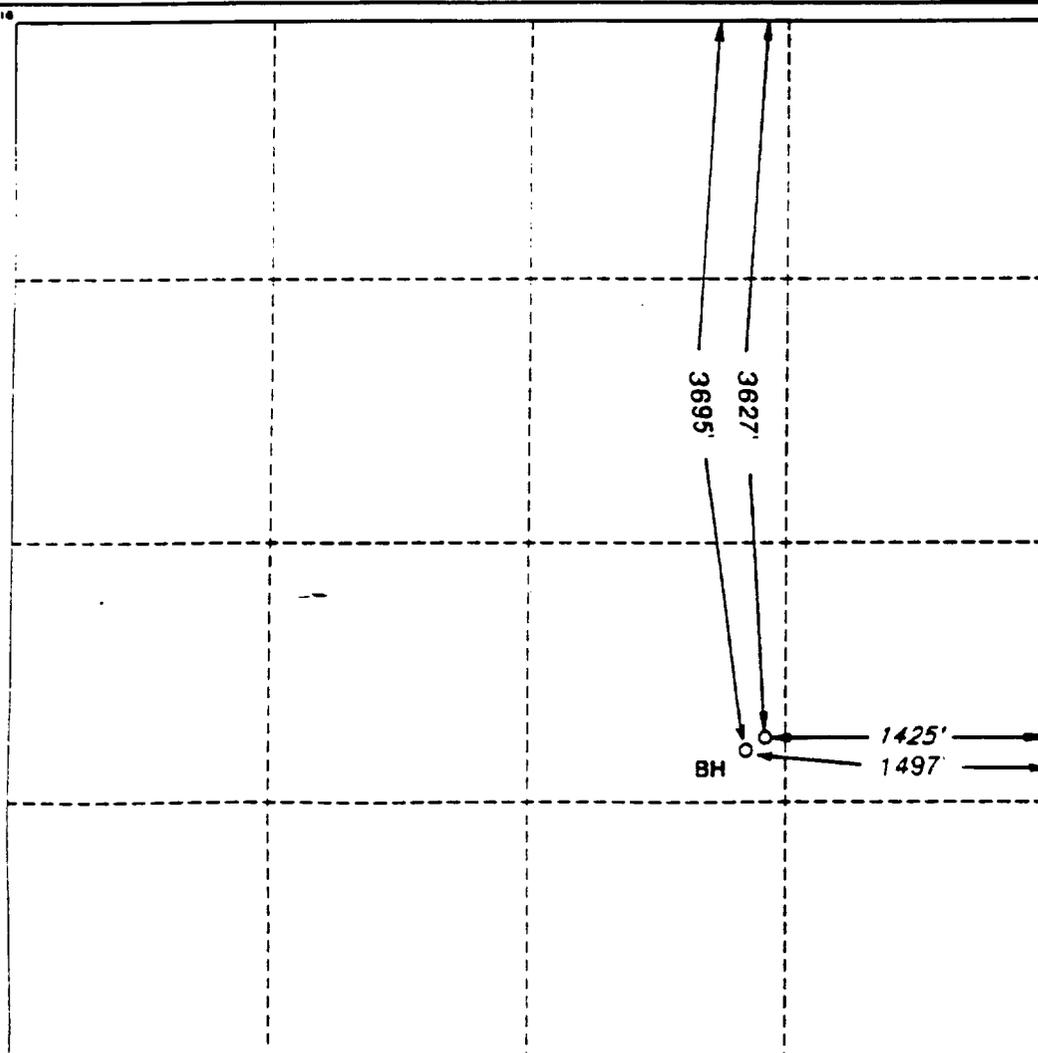
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	1	16 SOUTH	38 EAST, N.M.P.M.	10	3627'	NORTH	1425'	EAST	LEA

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	1	16 S	38 E		3695'	NORTH	1497'	EAST	LEA

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL 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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Pat Keller

Printed Name
Pat Keller

Title
Operations Manager

Date
November 11, 1996

SURVEYOR CERTIFICATION

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.

Date of Survey
SEPTEMBER 29, 1995

Signature of Professional Surveyor

7920
JOB #41721 * 05-NC / V.H.B.

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-104
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Browning Oil Company, Inc. P. O. Box 686, Giddings, Texas 77802		OGRID Number 142316
Reason for Filing Code NW		Pool Code 96644
API Number 30 - 0 25 33177	Pool Name Wildcat <u>Devonian</u>	Well Number 1
Property Code 17759	Property Name Knowles	

THIS WELL HAS BEEN PLACED IN THE POOL DESIGNATED BELOW. IF YOU DO NOT CONCUR NOTIFY THE OGD BY NOV 18 1996.

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	1	16 South	38E	10	3627	North	1425	East	Lea

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	1	16s	38e		3691	N	1928	E	Lea

¹² Lse Code S	¹³ Producing Method Code Pumping	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
-----------------------------	--	-----------------------------------	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
17618	Basis Petroleum, Inc. 500 Dallas Ave., Suite 3200 Houston, Texas 77002	2818123	0	
	CASINCHIEVE GAS MUST NOT BE FLARED NEAR 1/8 197 UNLESS AN EXCEPTION TO RULE IS OBTAINED.			

IV. Produced Water

²³ POD 2818124	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTD	²⁹ Perforations	³⁰ DHC, DC, MC
11/18/96	10/18/96	13,053	13,053	12,955'-13,053'	
³¹ Hole Size	³² Casing & Tubing Size		³³ Depth Set	³⁴ Sacks Cement	
17 1/2"	13 3/8" 54.4#		400'	418	
11"	8 5/8" 32#		5,013'	2020	
7 7/8"	5 1/2" 17#		12,018'	2174	
7 7/8"	4 1/2"		11,749' (top)-12,983'	150 (squeeze 230)	

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
8/29/96	--	10/20/96	24 hrs	-	10#
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
--	138 bbls	8 bbls	TSTM		Pumping

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Betty Petzold
 Printed name: Betty Petzold
 Title: Prod. Technician
 Date: 10/21/96 Phone: (409) 542-3144

OIL CONSERVATION DIVISION
 Approved by: [Signature]
 Title: DISTRICT I SUPERVISOR
 Approval Date: NOV 08 1996

* If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

Submit to Appropriate District Office
 State Lease -- 6 copies
 Fee Lease -- 5 copies
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
 OIL CONSERVATION DIVISION
 2040 Pacheco St.
 Santa Fe, NM 87505

Form C-105
 Revised 1-1-89

WELL API NO. 30 025 33177
 5. Indicate Type of Lease STATE FEE
 6. State Oil & Gas Lease No. V-1222

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL GAS WELL DRY OTHER _____
 b. Type of Completion: NEW WELL WORK OVER DEEPEN FLAG BACK DEEP RESVR OTHER _____

7. Lease Name or Unit Agreement Name Knowles

2. Name of Operator Browning Oil Company, Inc.

8. Well No. 1

3. Address of Operator P.O. Box 686, Giddings, Texas 78942

9. Pool name or Wildcat Wildcat

4. Well Location
 Unit Letter J : 3627 Feet From The N Line and 1425 Feet From The E Line
 Section 1 Township 16 South Range 38E NMPM Lea E County _____

10. Date Spudded 11/18/95
 11. Date T.D. Reached 6/25/96
 12. Date Compl. (Ready to Prod.) 10/18/96
 13. Elevations (DF & RKB, RT, GR, etc.) 3732' RKB
 14. Elev. Casinghead 3717'

15. Total Depth 13,053'
 16. Plug Back T.D. 13,053'
 17. If Multiple Compl. How Many Zones? _____
 18. Intervals Drilled By Rotary Tools Cable Tools
 X

19. Producing Interval(s), of this completion - Top, Bottom, Name 12,955' - 13,053' - Devonian
 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run DIL-GR-SP-Sonic
 22. Was Well Cored NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	54.4#	400'	17 1/2"	418 sks Class C	
8 5/8"	32#	5013'	11"	2020 sks Class C	
5 1/2"	17#	12018'	7 7/8"	2174 sks Poz H	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
4 1/2"	11,749'	12,983'	150 sks H		2 7/8"	10,023'	--

26. Perforation record (interval, size, and number)
 12,955'-12,973' (72 holes)
 12,983'-13,053' Open Hole

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
 12,955-13,053 20,500 gals 20% HCl

28. PRODUCTION

Date First Production 8/29/96
 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping - 1 1/2" Rod Pump
 Well Status (Prod. or Shut-in) Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
10/20/96	24	--		138	TSTM	8	--

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
--	10					46.3

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Used for fuel
 Test Witnessed By Doug Jatzlau

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Betty Petzold Printed Name Betty Petzold Title Prod. Tech. Date 10/21/96

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-dried or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all spec tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy <u>2135</u>	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn <u>11,194</u>	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka <u>11,398</u>	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates <u>3210</u>	T. Miss <u>11,686</u>	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian <u>12,955</u>	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres <u>5023</u>	T. Simpson _____	T. Gallup _____	T. Ignacio Otzie _____
T. Glorieta <u>6425</u>	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb <u>7610</u>	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard <u>7740</u>	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo <u>8265</u>	T. _____	T. Wingate _____	T. _____
T. Wolfcamp <u>9570</u>	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from 12,955 (12,945 TVD) to 13,053 (13,043 TVD) No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet
 No. 2, from _____ to _____ feet
 No. 3, from _____ to _____ feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

RECEIVED
 1955
 10

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

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

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

WELL API NO. 30 025 33177
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. V-1222

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name Knowles

1. Type of Well: OIL WELL [X] GAS WELL [] OTHER []

8. Well No. 1

2. Name of Operator Browning Oil Company, Inc.

9. Pool name or Wildcat Wildcat

3. Address of Operator P. O. Box 686, Giddings, Texas 78942

4. Well Location Unit Letter J : 3627 Feet From The North Line and 1425 Feet From The East Line Section 1 Township 16 South Range 38# NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3717'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [], PLUG AND ABANDON [], TEMPORARILY ABANDON [], CHANGE PLANS [], PULL OR ALTER CASING [], OTHER: []. SUBSEQUENT REPORT OF: REMEDIAL WORK [], ALTERING CASING [], COMMENCE DRILLING OPNS. [], PLUG AND ABANDONMENT [], CASING TEST AND CEMENT JOB [], OTHER: []

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9/11/96 - 9/16/96 - Swab tested well.

10/10/96-10/17/96 - MIRU workover rig. Attempted to pull CST packer. Could not get loose. Run free point survey w/WL - 2 3/8" tail pipe stuck below packer @ or below 12,582'. Could not get tool below 12,582' due to obstruction in 2 3/8" tbg. Jet cut 2 3/8" tubing @ 12,536'. Left 14 1/2" jts 2 3/8" tubing in hole. Top @ 12,536', end @ 12,984'. POH w/tbg & packer. RIH w/BHA & tubing. RIH w/pump & rods. Pump @ 9,951'. Install pump unit. Erect tank battery. Put well on production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Betty Petzold TITLE Prod. Technician DATE 10/21/96 TYPE OR PRINT NAME Betty Petzold TELEPHONE NO. (409) 542-3144

(This space for State Use) APPROVED BY [Signature] TITLE DISTRICT II SUPERVISOR DATE NOV 08 1996 CONDITIONS OF APPROVAL, IF ANY:

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

OIL CONSERVATION DIVISION

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

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

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

WELL API NO.	30 025 33177
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-1222

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name	Knowles
8. Well No.	1
9. Pool name or Wildcat	Wildcat

1. Type of Well:
 OIL WELL GAS WELL OTHER

2. Name of Operator
Browning Oil Company, Inc.

3. Address of Operator
P. O. Box 686, Giddings, Texas 78942

4. Well Location
 Unit Letter J : 3627 Feet From The North Line and 1425 Feet From The East Line
 Section 1 Township 16 Range 38 East NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3717' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

See attached sheet.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Doug Jatzlau TITLE Prod. Manager DATE 9/4/96
 TYPE OR PRINT NAME Doug Jatzlau TELEPHONE NO. (409) 542-3144

(This space for State Use)

APPROVED BY [Signature] TITLE DISTRICT I SUPERVISOR DATE SEP 11 1996

CONDITIONS OF APPROVAL, IF ANY

(12.)

3/1/96 - 4/15/96 -- MIRU completion rig - Drill out stage tools @ 5,067' & 10,547' (TM) - Drill out float collar @ 11,972' (TM), shoe joint, & float shoe - Clean out open hole f/ 12,018' to TD @ 12,990' (TM) - Run 29 jts. 4-1/2" 11.5# L-80 FL4S liner - Set @ 12,983' - Top @ 11,749' - Cement w/ 150 sx Class H + .6% D60 + .2% D13 (16.4 ppg, 1.07 cf/sk) - Back off liner top @ 11,749' - Run CBL/GR/CL log f/ 12,854'-11,600' - Clean cement top @ 12,590' - Shoot squeeze perfs @ 12,570' - Set cement retainer @ 12,510' - RIH w/ tubing - Squeeze w/ 230 sx Class H + .3% D13 + .3% D65 + 5% D156 (15.6 ppg, 1.19 cf/sk) - WOC - Drill out cement and retainer - Test to 2000 psi - Drill out float collar, shoe joint, & float shoe - Clean out open hole f/ 12,983'-12,990' - Ran CN/GR log f/ 12,990'-11,500' - Ran CBL f/ 12,956'-11,650' - Perforate 4-1/2" in Devonian @ 12,955'-12,973' (4 SPF, 72 holes) - RIH w/ packer & tubing - Set packer @ 11,662' - Swab test well - Acidize w/ 3,000 gal. 20% HCl - Could not break down formation - POH w/ tubing & packer - RIH w/ 3-7/8" bit - Drill formation f/ 12,990'-13,010' - RIH w/ packer & tubing - Swab test well - Acidize w/ 2,500 gal. 15% HCl - Swabbed - POH w/ tubing & packer - RIH w/ 3-7/8" bit - Drilled formation f/ 13,010'-13,033' - RIH w/ packer & tubing - Swabbed - Acidize w/ 2,500 gal 20% HCl - Swabbed - RDMO

4/16/96 - 6/23/96 -- Shut in.

6/24/96 - 7/17/96 -- MIRU - POH w/ tubing & packer - RIH w/ 3-7/8" bit - Drill formation f/ 13,033'-13,053' - POH w/ bit - Perforate open hole @ 12,099'-13,053' (108 shots) - Hydro test in hole w/ packer & tubing - Acidize w/ 2,500 gal 20% HCl - Swabbed - Ran temperature and tracer surveys - Acidized w/ 10,000 gal. 20% HCl - Swabbed - RDMO

7/18/96 - 8/29/96 - Shut in.

8/29/96 -- 800 psi SIP - Opened well to bleed off pressure - Well started making fluid - Switch to test tank

8/30/96 -- 79 bbls. Oil

8/31/96 -- 20 bbls. Oil

9/1/96 -- 20 bbls. Oil

9/2/96 -- 15 bbls. Oil

9/3/96 -- 20 bbls. Oil

Present Operation: Flowing to test tank & evaluating.

OIL CONSERVATION DIVISION

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

P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

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

REC-50
MAR 20 1996 8 52

WELL API NO.
30 025 33177

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
V-1222

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

7. Lease Name or Unit Agreement Name
Knowles

2. Name of Operator
Browning Oil Company, Inc.

8. Well No. 1

3. Address of Operator
P. O. Box 686, Giddings, Texas 78942

9. Pool name or Wildcat
Wildcat

4. Well Location
Unit Letter T : 3627 Feet From The North Line and 1425 Feet From The East Line
Section 1 Township 16 Range 38 East NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3717' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

12/11/96-2/21/96 - Drill 7 7/8" hole to 9682'. Took survey at 9660'. Angle had increased to 6°. Changed bottomhole assy to drop angle (no directional control). Angle dropped to 3°, but hole direction was away from seismic target and surface location. Directionally drilled with mud motor from 12,484-12703'. Steered hole toward surface location. Drilled from 12,703-12,994' without directional control. Attempted to run Drill Stem Test (DST) on zone 12,974-12,994'. Had drill pipe failure while running DST tools. Fished out part of tool string but left DST tools and 5 drill collars in hole. Left top of fish at 12,758'. Set cement plug from 12,238-12,653'. Sidetracked well at 12,578'. Directionally steered sidetrack hole to target between old bottom hole location and surface location. Attempted to log and run casing but were unable to get below 12,200' due to hole problems. Set 281 jts 5 1/2" 17# L-80 casing @ 12,018'. Hyd stage tool @ 10,547', DV tool @ 5067'. Cmmt 1st stage w/500 sx 50/50 Poz/H + 2% D20 + 5% D44 + .2%D59 + .25% D65 + .2%D800 (14.6 ppg, 1.27 yield, 113 bbls slurry). Open Hyd stage tool @ 2900 psi. Cmmt 2nd stage-Lead slurry: 1000 sx 35/65 Poz/H+6%D20+.1%D13+5%D44+.25#/sk D29 (12.4 ppg, 2.14 yield, 381 bbls slurry). Tail Slurry: 187 sx (cont on 2nd page)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Betty Petzold TITLE Prod. Asst. DATE 3/6/96

TYPE OR PRINT NAME Betty Petzold TELEPHONE NO. (409) 542-

(This space for State Use)

APPROVED BY Jerry Dick TITLE DISTRICT 1 SUPERVISOR DATE MAR 22 1996

CONDITIONS OF APPROVAL, IF ANY:

Browning Oil Company, Inc.
Knowles Well No. 1
From C-103 Attachment
Page 2

50/50 Poz/H+2%D20+5%D44+.6%D59+.25%D65+.2%D800 (14.6 ppg, 1.27 yield, 43 bbls slurry).
Open DV tool @ 5067'. Cement 3rd stage - Lead slurry: 300 sx 35/65 PozH + 6% D20 +
.1% D13 + 5% D44 + .25#/sk D29 (12.4 ppg, 2.14 yield, 114 bbls slurry). Tail: 187
sx 50/50 Poz/H + 2% D20 + 5% D44 + 6% D59 + .25% D65 + .2% D800 (14.6 ppg, 1.27 yield,
40 bbls slurry). Rig released 2/21/96.

Currently running a liner to attempt a completion. Will file additional Form C-103
upon setting of this liner.

MEMBER OF THE DIVISION
RECORDS

FEB 10 1996

SCIENTIFIC DRILLING INTERNATIONAL

MIDLAND, TEXAS

BROWNING OIL COMPANY

Well Name : BROWNING OIL/KNOWLES SECTION ~~1~~ #1 U.S.J
 Location : LEA COUNTY, NEW MEXICO
 :
 :
 Date Surveyed : 10 FEBRUARY 1996
 Job Number : 32D0196033
 Survey Performed By : RAGSDALE/LOVELACE

BILL
309 1/2 Q 1939/E

This survey is correct to the best of my knowledge and is supported by actual field data.

..... G. Moody COMPANY REPRESENTATIVE

SCIENTIFIC DRILLING INTERNATIONAL

Company : BROWNING OIL COMPANY
 Well Name : BROWNING OIL/KNOWLES SECTION 1 #1
 Location : LEA COUNTY, NEW MEXICO

Page 1 of 3
 Date 10 FEBRUARY 1996
 Filename : KNOWLES1

No Interpolation

MD ft	INC deg	DIR deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	D'LEG °/100
0.0	0.00	N 0.00° E	0.00	0.00	0.00	0.00	0.0
100.0	0.50	N84.00° W	100.00	0.05	-0.43	-0.35	0.5
200.0	0.50	N78.00° W	199.99	0.18	-1.29	-1.02	0.1
300.0	0.50	N78.00° W	299.99	0.36	-2.15	-1.65	0.0
400.0	0.50	N 3.00° E	399.99	0.89	-2.55	-1.73	0.6
500.0	0.50	S 8.00° E	499.99	0.89	-2.47	-1.66	1.0
600.0	0.50	N30.00° W	599.99	0.84	-2.63	-1.82	1.0
700.0	0.50	S78.00° E	699.98	1.13	-2.42	-1.49	0.9
800.0	0.50	N85.00° W	799.98	1.07	-2.43	-1.53	1.0
900.0	0.25	S20.00° E	899.98	0.91	-2.79	-1.92	0.6
1000.0	0.25	S20.00° E	999.98	0.50	-2.64	-2.00	0.0
1100.0	0.75	S34.00° W	1099.98	-0.25	-2.93	-2.64	0.6
1200.0	0.75	S30.00° W	1199.97	-1.36	-3.62	-3.80	0.1
1300.0	0.50	S34.00° W	1299.96	-2.29	-4.19	-4.77	0.3
1400.0	1.00	S10.00° W	1399.95	-3.51	-4.59	-5.74	0.6
1500.0	0.75	S10.00° W	1499.94	-5.01	-4.85	-6.74	0.3
1600.0	0.50	S26.00° E	1599.94	-6.05	-4.78	-7.21	0.5
1700.0	0.25	S18.00° W	1699.93	-6.65	-4.65	-7.41	0.4
1800.0	0.25	N25.00° E	1799.93	-6.66	-4.63	-7.40	0.5
1900.0	0.25	S 5.00° E	1899.93	-6.68	-4.52	-7.31	0.5
2000.0	0.25	S 8.00° E	1999.93	-7.11	-4.47	-7.49	0.0
2100.0	0.50	S35.00° E	2099.93	-7.69	-4.19	-7.55	0.3
2200.0	0.50	S84.00° E	2199.93	-8.09	-3.50	-7.17	0.4
2300.0	0.50	N41.00° E	2299.92	-7.81	-2.78	-6.40	0.5
2400.0	1.00	N65.00° E	2399.92	-7.11	-1.70	-5.12	0.6
2500.0	1.00	N80.00° E	2499.90	-6.59	-0.05	-3.44	0.3
2600.0	1.00	N57.00° E	2599.89	-5.96	1.54	-1.75	0.4
2700.0	1.00	N85.00° E	2699.87	-5.41	3.14	0.00	0.5
2800.0	1.00	S62.00° E	2799.86	-5.74	4.78	1.14	0.6
2900.0	1.00	N50.00° E	2899.84	-5.59	6.22	2.45	1.1
3000.0	0.75	S58.00° E	2999.83	-5.38	7.44	3.61	1.0
3100.0	1.00	N75.00° E	3099.82	-5.50	8.84	4.74	0.7
3200.0	1.00	S68.00° E	3199.81	-5.60	10.49	6.11	0.6
3300.0	1.50	N78.00° E	3299.79	-5.65	12.58	7.87	0.9
3400.0	1.00	N50.00° E	3399.76	-4.82	14.53	9.97	0.8
3500.0	1.00	N75.00° E	3499.75	-4.03	16.04	11.67	0.4
3600.0	1.00	N50.00° E	3599.74	-3.25	17.55	13.37	0.4
3700.0	1.00	N20.00° E	3699.72	-1.87	18.52	14.91	0.5
3800.0	0.50	N50.00° E	3799.71	-0.77	19.15	16.02	0.6
3900.0	0.75	N80.00° E	3899.71	-0.37	20.13	17.06	0.4

SCIENTIFIC DRILLING INTERNATIONAL

Company : BROWNING OIL COMPANY
 Well Name : BROWNING OIL/KNOWLES SECTION 1 #1
 Location : LEA COUNTY, NEW MEXICO

Page 2 of 3
 Date 10 FEBRUARY 1996
 Filename : KNOWLES1

No Interpolation

MD ft	INC deg	DIR deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	D'LEG °/100
4000.0	1.00	N84.00°E	3999.69	-0.17	21.64	18.47	0.3
4100.0	1.00	S25.00°E	4099.68	-0.87	22.88	19.16	1.2
4200.0	1.00	S60.00°E	4199.67	-2.09	24.00	19.50	0.6
4300.0	1.00	S86.00°E	4299.65	-2.59	25.63	20.63	0.4
4400.0	1.00	S80.00°E	4399.64	-2.80	27.36	22.01	0.1
4500.0	1.00	S80.00°E	4499.62	-3.11	29.08	23.33	0.0
4600.0	1.00	S80.00°E	4599.61	-3.41	30.80	24.64	0.0
4700.0	1.00	S82.00°E	4699.59	-3.68	32.52	25.98	0.0
4800.0	1.00	S41.00°E	4799.58	-4.46	33.96	26.81	0.7
4900.0	0.50	S72.00°W	4899.57	-5.26	34.12	26.54	1.3
5000.0	0.25	S 6.00°W	4999.57	-5.61	33.68	25.98	0.5
5100.0	0.25	S27.00°W	5099.57	-6.02	33.56	25.66	0.1
5200.0	1.00	S34.00°E	5199.56	-6.94	33.94	25.52	0.9
5300.0	0.50	S50.00°W	5299.56	-7.94	34.10	25.14	1.1
5400.0	0.50	N68.00°W	5399.56	-8.06	33.36	24.44	0.5
5500.0	0.50	S22.00°W	5499.55	-8.30	32.79	23.83	0.7
5600.0	0.50	S78.00°E	5599.55	-8.79	33.05	23.80	0.8
5700.0	0.50	N 5.00°W	5699.55	-8.45	33.44	24.31	0.8
5800.0	0.25	S40.00°W	5799.55	-8.18	33.27	24.30	0.7
5900.0	0.75	S 3.00°E	5899.54	-9.00	33.16	23.79	0.6
6000.0	0.50	N32.00°E	5999.54	-9.29	33.42	23.87	1.2
6100.0	0.50	N43.00°E	6099.54	-8.60	33.95	24.68	0.1
6200.0	0.25	S65.00°W	6199.54	-8.37	34.05	24.88	0.7
6300.0	1.00	N78.00°W	6299.53	-8.28	33.00	24.02	0.8
6400.0	0.25	N54.00°W	6399.52	-7.97	31.97	23.30	0.8
6500.0	0.25	N30.00°W	6499.52	-7.66	31.69	23.22	0.1
6600.0	0.25	S79.00°E	6599.52	-7.51	31.79	23.38	0.5
6700.0	1.00	S80.00°E	6699.52	-7.70	32.87	24.20	0.8
6800.0	0.50	S72.00°E	6799.51	-7.99	34.14	25.15	0.5
6900.0	0.50	N51.00°E	6899.50	-7.85	34.89	25.87	0.5
7000.0	0.50	N74.00°E	6999.50	-7.45	35.65	26.72	0.2
7100.0	0.50	S52.00°E	7099.50	-7.60	36.42	27.30	0.5
7200.0	0.50	N38.00°W	7199.49	-7.53	36.49	27.40	1.0
7300.0	0.50	N86.00°E	7299.49	-7.15	36.66	27.74	0.9
7790.0	0.50	S66.00°E	7789.47	-7.87	40.74	30.87	0.0
8162.0	1.00	S61.00°E	8161.44	-10.11	45.06	33.42	0.1
8380.0	1.00	S51.00°E	8379.41	-12.23	48.21	35.02	0.1
8600.0	1.00	S41.00°E	8599.38	-14.88	50.96	36.01	0.1
8879.0	1.50	S 6.00°E	8878.31	-20.35	52.94	34.89	0.3
9214.0	1.50	S11.00°E	9213.20	-29.02	54.23	31.54	0.0

SCIENTIFIC DRILLING INTERNATIONAL

Company : BROWNING OIL COMPANY
 Well Name : BROWNING OIL/KNOWLES SECTION 1 #1
 Location : LEA COUNTY, NEW MEXICO

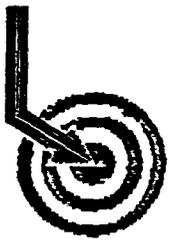
Page 3 of 3
 Date 10 FEBRUARY 1996
 Filename : KNOWLES1

No Interpolation

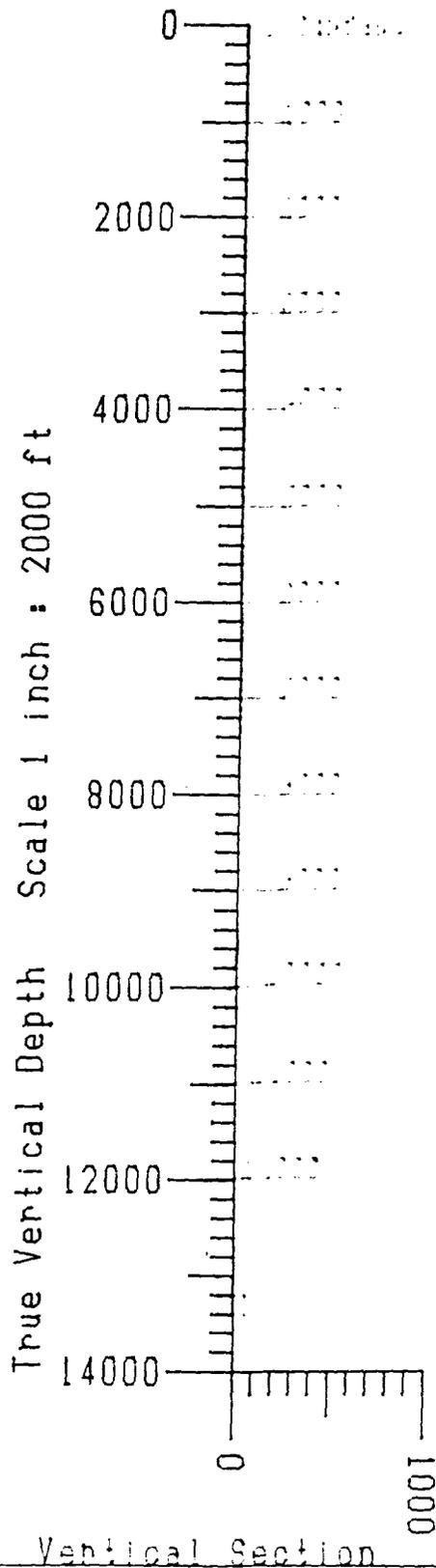
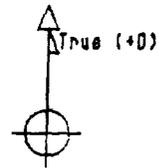
MD ft	INC deg	DIR deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	D'LEG °/100
9435.0	4.25	S49.00°W	9433.93	-37.23	48.60	22.48	1.7
9550.0	4.25	S59.00°W	9548.62	-42.22	41.73	14.03	0.6
9600.0	5.50	S60.00°W	9598.44	-44.37	38.07	9.78	2.5
9660.0	6.00	S64.00°W	9658.14	-47.19	32.76	3.78	1.1
9748.0	6.25	S61.00°W	9745.63	-51.53	24.44	-5.59	0.5
9808.0	5.75	S64.00°W	9805.30	-54.43	18.88	-11.85	1.0
9895.0	5.25	S67.00°W	9891.90	-57.89	11.30	-20.13	0.7
10094.0	4.50	S68.00°W	10090.18	-64.37	-4.32	-36.86	0.4
10248.0	4.25	S62.00°W	10243.73	-69.32	-14.96	-48.52	0.3
10432.0	3.75	S55.00°W	10427.29	-75.97	-25.91	-61.33	0.4
10675.0	3.50	S63.00°W	10669.80	-83.89	-39.03	-76.66	0.2
10858.0	3.25	S72.00°W	10852.49	-88.03	-48.94	-87.29	0.3
11043.0	3.25	S66.00°W	11037.19	-91.79	-58.72	-97.60	0.2
11135.0	3.25	S67.00°W	11129.04	-93.87	-63.50	-102.77	0.1
11250.0	3.00	S67.00°W	11243.87	-96.32	-69.27	-108.98	0.2
11363.0	3.00	S67.00°W	11356.71	-98.63	-74.71	-114.84	0.0
11606.0	3.00	S89.00°W	11599.39	-101.22	-86.93	-126.64	0.5
11791.0	3.00	N89.00°W	11784.14	-101.22	-96.61	-134.94	0.1
11977.0	2.75	N44.00°W	11969.92	-97.93	-104.57	-140.07	1.2
12182.0	2.50	N35.00°W	12174.71	-90.73	-110.55	-141.49	0.2
12319.0	3.00	N32.00°W	12311.55	-85.24	-114.17	-141.76	0.4
12382.0	3.00	N43.00°W	12374.46	-82.63	-116.17	-142.13	0.9
12441.0	4.40	N39.60°W	12433.34	-79.76	-118.66	-142.79	2.4
12472.0	4.50	N29.00°W	12464.25	-77.78	-120.01	-142.93	2.7
12504.0	5.00	N21.00°W	12496.14	-75.38	-121.12	-142.64	2.6
12534.0	5.50	N 8.00°W	12526.01	-72.74	-121.79	-141.85	4.3
12566.0	5.80	N 5.00°E	12557.86	-69.61	-121.86	-140.30	4.1
12618.0	2.80	N13.00°E	12609.71	-65.75	-121.34	-137.88	5.9
12678.0	1.80	N73.60°E	12669.67	-64.06	-120.11	-135.95	4.1
12738.0	5.20	S85.00°E	12729.55	-64.03	-116.50	-132.83	6.0
12773.0	6.30	S82.00°E	12764.37	-64.43	-113.01	-130.06	3.3

Origin of Bottom Hole Closure WELLSITE CENTRE
 Bottom Hole Closure 130 ft S60.31°W

KSRG 0'-9808' BY RAGSDALE
 SS 9895-'12773' BY LOVELACE

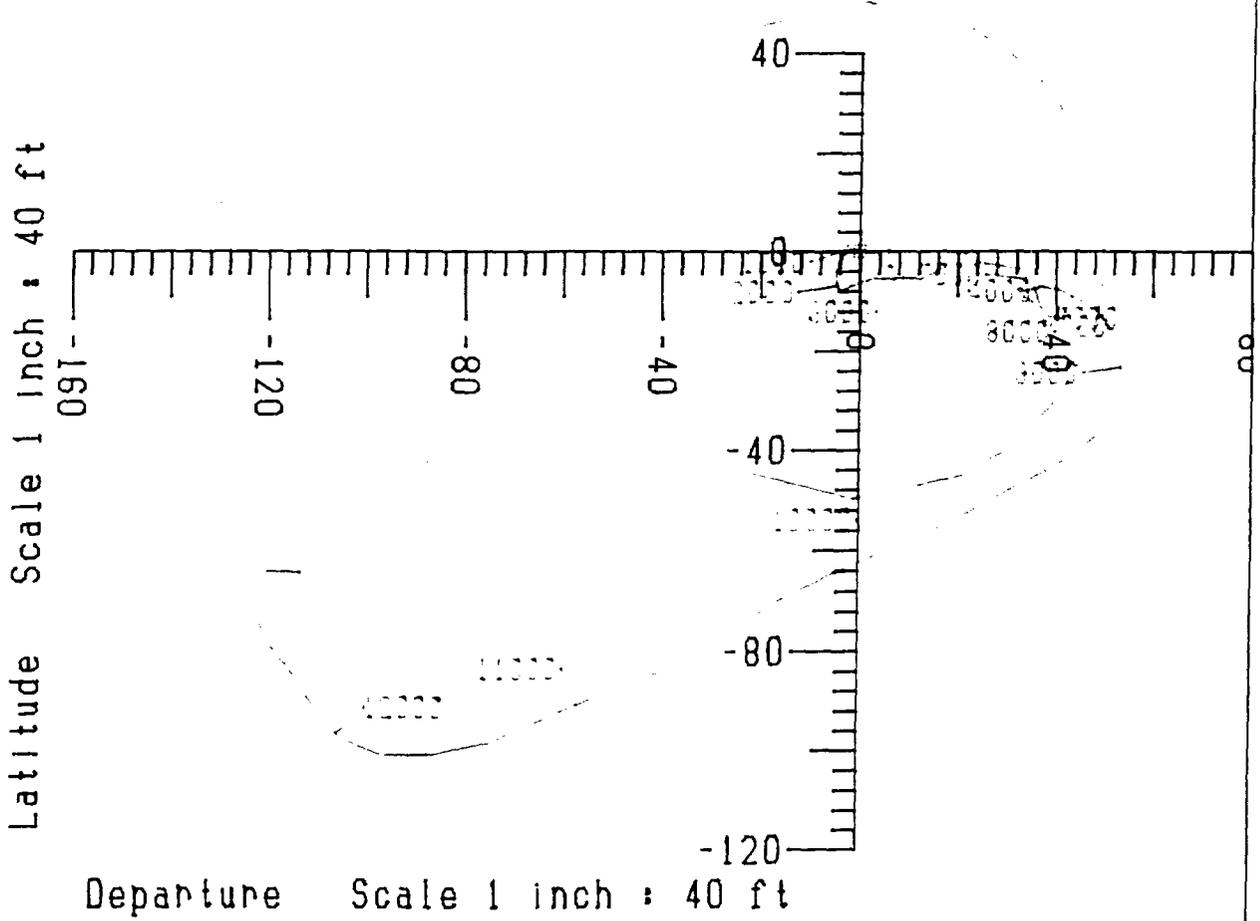
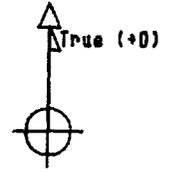


SCIENTIFIC DRILLING INTERNATIONAL
FOR
BROWNING OIL
KNOWLES #1
IN
LEA COUNTY, NEW MEXICO





SCIENTIFIC DRILLING INTERNATIONAL
FOR
BROWNING OIL
KNOWLES 81
IN
LEA COUNTY, NEW MEXICO



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

OIL CONSERVATION DIVISION

P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

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

WELL API NO.
30 025 33177

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
V-1222

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Knowles

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No. 1

2. Name of Operator
Browning Oil Company, Inc.

3. Address of Operator
P. O. Box 686, Giddings, Texas 78942

9. Pool name or Wildcat:
Wildcat

4. Well Location
Unit Letter J : 3627 Feet From The North Line and 1425 Feet From The East Line
Section 1 Township 16 Range 38 East NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3717' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER:

OTHER:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

11/27/95 - Drill 11" hole to 5,020'. Run 24 jts 8 5/8" 32# HCK-55 STC casing & 90 jts 8 5/8" 32# J-55 STC casing. Set @ 5013'. RU Dowell. Cement w/1820 sks C + 4% gel + 3% salt + 1/4#/sk Celloflake (13.2 ppg, 1.86 yield) and 200 sks C + 1% CaCl2 (14.8 ppg, 1.32 yield). Circulate 210 sks to surface. Plug down @ 10:20 p.m., 11/27/95. WOC 25 1/2 hrs. Drill cement & float collar - Test casing to 1500 psi. OK. Drill cement & shoe.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Prod. Manager

DATE 12/1/95

TYPE OR PRINT NAME Doug Jatzlau

(409) 542-3144
TELEPHONE NO.

(This space for State Use)

APPROVED BY

DISTRICT SUPERVISOR

DATE DEC 6, 1995

CONDITIONS OF APPROVAL, IF ANY:

to Appropriate District Office

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

WELL API NO.
30 025 33177

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
V-1222

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

7. Lease Name or Unit Agreement Name
Knowles

2. Name of Operator
Browning Oil Company, Inc.

8. Well No.
1

3. Address of Operator
P. O. Box 686, Giddings, Texas 78942

9. Pool name or Wildcat
Wildcat

4. Well Location
Unit Letter J : 3627 Feet From The North Line and 1425 Feet From The East Line
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3717' GR

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NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Norton Drilling Rig #15 spud well @ 7:30 a.m., 11/18/95. Drill 17 1/2" hole to 400'. Run 9 jts 13 3/8" 54.4# J-55 ST&C casing. Set @ 400'. RU Dowell and cement w/418 sacks Class C + 2% CaCl2 + 1/4#/sk Celloflake (14.8 ppg, 1.32 yield). Circulate 15 bbls to surface. Plug down @ 7:15 p.m. w/950 psi. WOC 17 1/4 hrs - Test casing to 500 psi. - Drill Out.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Prod. Manager DATE 11/21/95
 TYPE OR PRINT NAME Doug Jatzlau TELEPHONE NO. (409) 542-3144

(This space for State Use)

APPROVED BY [Signature] TITLE DISTRICT I SUPERVISOR DATE NOV 28 1995

CONDITIONS OF APPROVAL, IF ANY:

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
 RECEIVED
 NOV 8 5 52 AM '95

Form C-101

Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Browning Oil Company, Inc. 3080 North Central Expressway, Suite 780, LB 41 Dallas, Texas 75206		OGRID Number 142316
		API Number 30-025-33174
Property Code 17759	Property Name Knowles	Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B 26	1	16 South	38 East	10	3,627	North	1,425	East	Lea

Proposed 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
Proposed Pool 1 Wildcat Devonian					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3,717'
Multiple No	Proposed Depth 13,250'	Formation Devonian	Contractor	Spud Date 11/15/95

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	61 #	400'	Circulate	Surface
11"	8 5/8"	24 #	5,000'	Back to 400'	400'
7 7/8"	5 1/2"	17 #	13,250'	600' above prod. zone	12,650'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

The Browning Oil Company Knowles #1 well is a proposed 13,200 FT exploratory project for the purpose of testing the Devonian (Silurian) formation. The project is supported by well control consisting of four dry and abandoned wells and seismic. The proposed location will attempt to test a geologic feature at its structurally highest position.

Permit Expires 6 Months From Approval
 Date Unless Drilling Underway.

Approval for drilling only -- CANNOT
 produce until Non-Standard Location is
 approved.

R-10509 NSL

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Michael R. McWilliams*
 Printed name: Michael R. McWilliams
 Title: President
 Date: October 9, 1995
 Phone: (214) 739-3481

OIL CONSERVATION DIVISION	
Approved by: <i>[Signature]</i>	Title: DISTRICT I SUPERVISOR
Approval Date: NOV 15 1995	Expiration Date:
Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form O-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

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

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

AMENDED REPORT

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-		2 Pool Code		3 Pool Name Wildcat Devonian	
4 Property Code 17759		5 Property Name KNOWLES PROSPECT			6 Well Number 1
7 OGRID No. 142316		8 Operator Name BROWNING OIL COMPANY			9 Elevation 3717'

10 SURFACE LOCATION

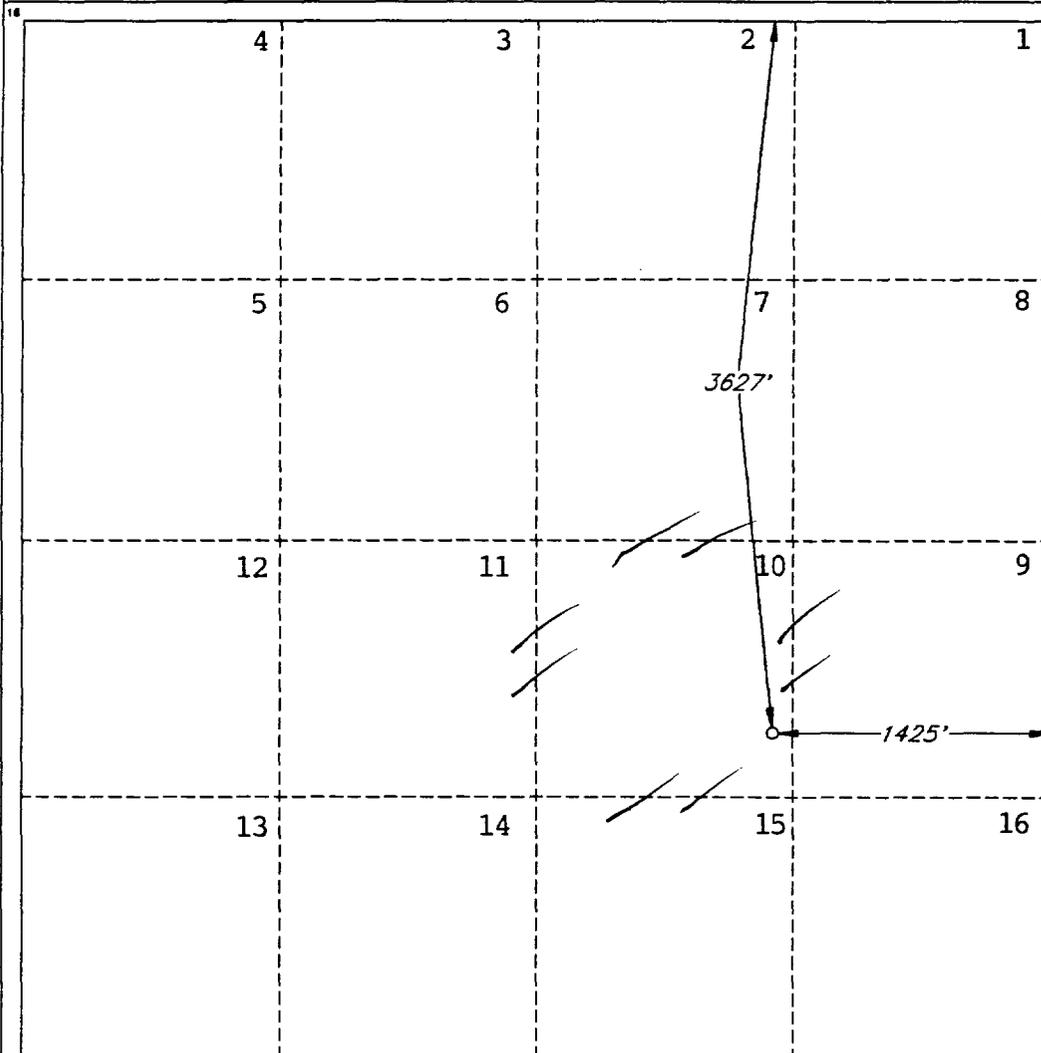
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	1	16 SOUTH	38 EAST, N.M.P.M.	10	3627'	NORTH	1425'	EAST	LEA

11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

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

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL 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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Michael R. McWilliams

Printed Name
Michael R. McWilliams

Title
President

Date
(214) 739-3481

SURVEYOR CERTIFICATION

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.

Date of Survey
SEPTEMBER 29, 1995

Signature and Seal of Professional Surveyor

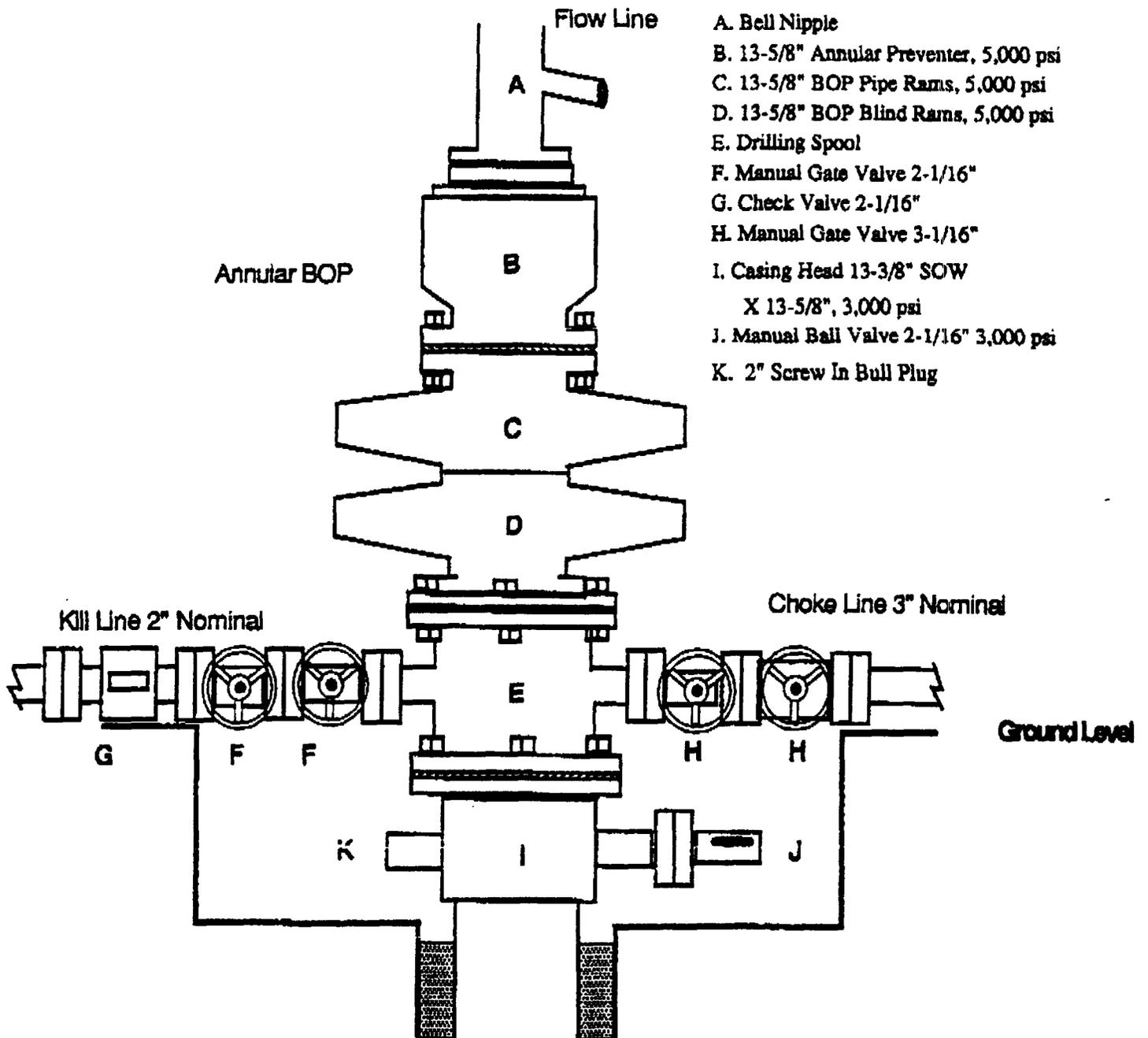
V. LYNN BEZNER
NO. 7920

Certification No.
V. L. BEZNER LAND SURVEYOR #7920

JOB #417247-95 NE / JSJ

SECTION 1 (Long Section) Lots 1 - 16

13-5/8" 5,000 psi BOP



WRS COMPLETION REPORT

COMPLETIONS SEC 1 TWP 16S RGE 38E
PI# 30-T-0029 12/06/96 30-025-33177-0000 PAGE 1

NMEX LEA * 2627FNL 1425FEL SEC
STATE COUNTY FOOTAGE SPOT
BROWNING OIL WF WFD
OPERATOR WELL CLASS INIT FIN
1 KNOWLES
WELL NO. LEASE NAME
3732KB 3717GR UNNAMED
OPER ELEV FIELD/POOL/AREA
API 30-025-33177-0000
LEASE NO. PERMIT OR WELL I.D. NO.
11/18/1995 10/20/1996 ROTARY VERT OIL
SPUD DATE COMP. DATE TYPE TOOL HOLE TYPE STATUS
13250 DEVONIAN NORTON DRLG 15 RIG SUB 14
PROJ. DEPTH PROJ. FORM CONTRACTOR
DTD 13053 FM/TD SILURIAN
DRILLERS T.D. LOG T.D. PLUG BACK TD OLD T.D. FORM T.D.

LOCATION DESCRIPTION

8 MI N KNOWLES, NM
3.50 MI NE/13072 (DVNN) OIL PROD IN UNNAMED FLD

WELL IDENTIFICATION/CHANGES

FIELD CHGD FROM WILDCAT

CASING/LINER DATA

CSG 13 3/8 @ 400 W/ 418 SACKS
CSG 8 5/8 @ 5013 W/ 2020 SACKS
CSG 5 1/2 @ 12018 W/ 2174 SACKS
LNR 4 1/2 11749-12983 W/ 150S

TUBING DATA

TBG 2 7/8 AT 10023

INITIAL POTENTIAL

IPP 138BOPD 8BW 24HRS
SILURIAN COMB 12955-13053
PERF 12955-12973
OPEN 12983-13053
ACID 12955-13053 20500GALS
20% HCL
GTY 46.3 GOR TSTM
FIELD /RESERVOIR
/DEVONIAN

CONTINUED IC# 300257057995

COMPLETIONS SEC 1 TWP 16S RGE 38E
 PI# 30-T-0029 12/06/96 30-025-33177-0000 PAGE 2

BROWNING OIL WF WFD
 1 KNOWLES

TYPE	FORMATION	LTH	TOP DEPTH/SUB	BSE DEPTH/SUB
LOG	RUSTLER		2135	1597
LOG	YATES		3210	522
LOG	SN ANDRS		5023	-1291
LOG	GLORIETA		6425	-2693
LOG	TUBB		7610	-3878
LOG	DRINKARD		7740	-4008
LOG	ABO		8265	-4533
LOG	WOLFCAMP		9570	-5838
LOG	STRAWN		11194	-7462
LOG	ATOKA		11398	-7666
LOG	MSSP		11686	-7954
LOG	SILURIAN		12955	-9223

SUBSEA MEASUREMENTS FROM KB

LOGS AND SURVEYS /INTERVAL, TYPE/

LOGS DI GR SP
 LOGS SONL

DRILLING PROGRESS DETAILS

BROWNING OIL
 BOX 686
 GIDDINGS, TX 78942
 409-542-3144
 11/15 LOC/1995/
 11/22 DRLG AHEAD
 11/28 DRLG 5020
 12/05 DRLG 7480
 12/12 DRLG 9691
 12/20 DRLG AHEAD
 01/03 DRLG 11610
 01/09 DRLG 12484
 01/17 DRLG 12994
 01/25 DRLG AHEAD
 02/29 13053 TD, WOCT
 RIG REL 02/24/96
 12/03 13053 TD
 COMP 10/20/96, IPP 138 BO, 8 BWPD,
 GTY 46.3, GOR TSTM,
 PROD ZONE - DEVONIAN 12955-13053 (GROSS)
 TITE HOLE

CONTINUED

COMPLETIONS SEC 1 TWP 16S RGE 38E
PI# 30-T-0029 12/06/96 30-025-33177-0000 PAGE 3

BROWNING OIL WF WFD
1 KNOWLES

DRILLING PROGRESS DETAILS

12/03 (DEVONIAN DISCOVERY - NEW FIELD)