

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cor. Division

3110 1st St

Albuquerque, NM 87102-2834

FORM APPROVED *clsf*

Budget Bureau No. 1004-0135

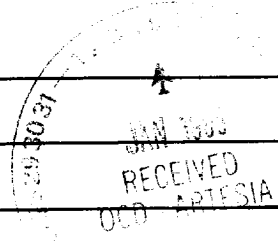
Expires: March 31, 1993

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 Oil <input type="checkbox"/> Well Gas <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other <input type="checkbox"/> | 5. Lease Designation and Serial No. LC-063610 |
| 2. Name of Operator Primal Energy Corporation | 6. If Indian, Allottee or Tribe Name |
| 3. Address and Telephone No. 211 Highland Cross, Suite 227, Houston, TX 77073 (713) 821-5600 | 7. If Unit or CA, Agreement Designation |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit K, 1650' FSL & 1800' FWL, Sec. 22, T20S, R30E | 8. Well Name and No. Hale Federal Com #2 |
| | 9. API Well No. 30-015-20556 |
| | 10. Field and Pool, or Exploratory Area Dos Hermanos Morrow (Gas) |
| | 11. County or Parish, State Eddy, NM |



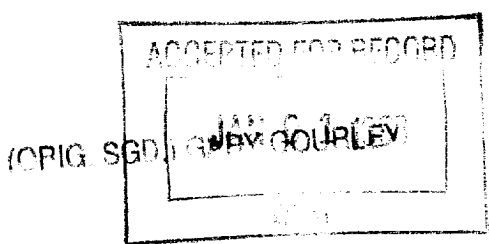
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION |
|------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other <u>Repair tubing leak</u> |
| | <input type="checkbox"/> Change of Plans |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Conversion to Injection |
| | <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.)

1. Install and test BOPE.
2. Pull existing production string and inspect.
3. Test all open perforations to determine if commercial.
4. Return well to production as producing gas well.



RECEIVED
 NATURAL RESOURCE AREA
 1997 DEC 24 A 8:30

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Manager, Operations & Engineering Date 12/18/97

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of Approval, if any:

Title 18 U.S.C. Section 101, 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.