

207456863

AMEND NSL

4/4/02

**PRIMAL ENERGY
CORPORATION**

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

MAR 15 2002

March 11, 2002

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

Att.: Michael Stogner

Dear Sir:

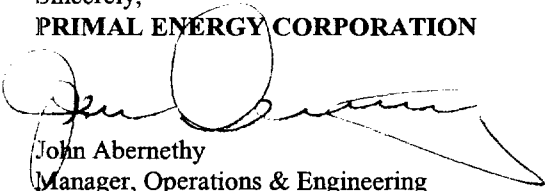
Primal Energy Corporation as current operator of the Knowles #1, Sec. 1, 16S, 38E, Lea County, requests an administrative approval for an unorthodox bottom hole oil well location (Previous approval NSL-4626BHL).

We recently cut a window in the 5 ½" casing and sidetracked the well. Unfortunately, the drilling assembly became stuck and the sidetrack was abandoned. We now propose a second sidetrack to a new bottom hole location that also is an unorthodox location. All of the previously furnished data is still valid with the exception of the C-102 (new C-102 is attached).

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

Sincerely,

PRIMAL ENERGY CORPORATION


John Abernethy
Manager, Operations & Engineering

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-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ 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 26911	⁵ Property Name Knowles	⁶ Well Number 1
⁷ OGRID No. 154303	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
J	1	16S	38E	10	3,736	N	1,520	E	Lea

¹² Dedicated Acres 40.0	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No.
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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 03/01/02 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

FAX COVER SHEET

PRIMAL ENERGY CORPORATION
211 Highland Cross, Suite 227
Houston, Texas 77073
281-821-5600
281-821-5602 fax

TO: Michael Stogner

FROM: John Abernethy

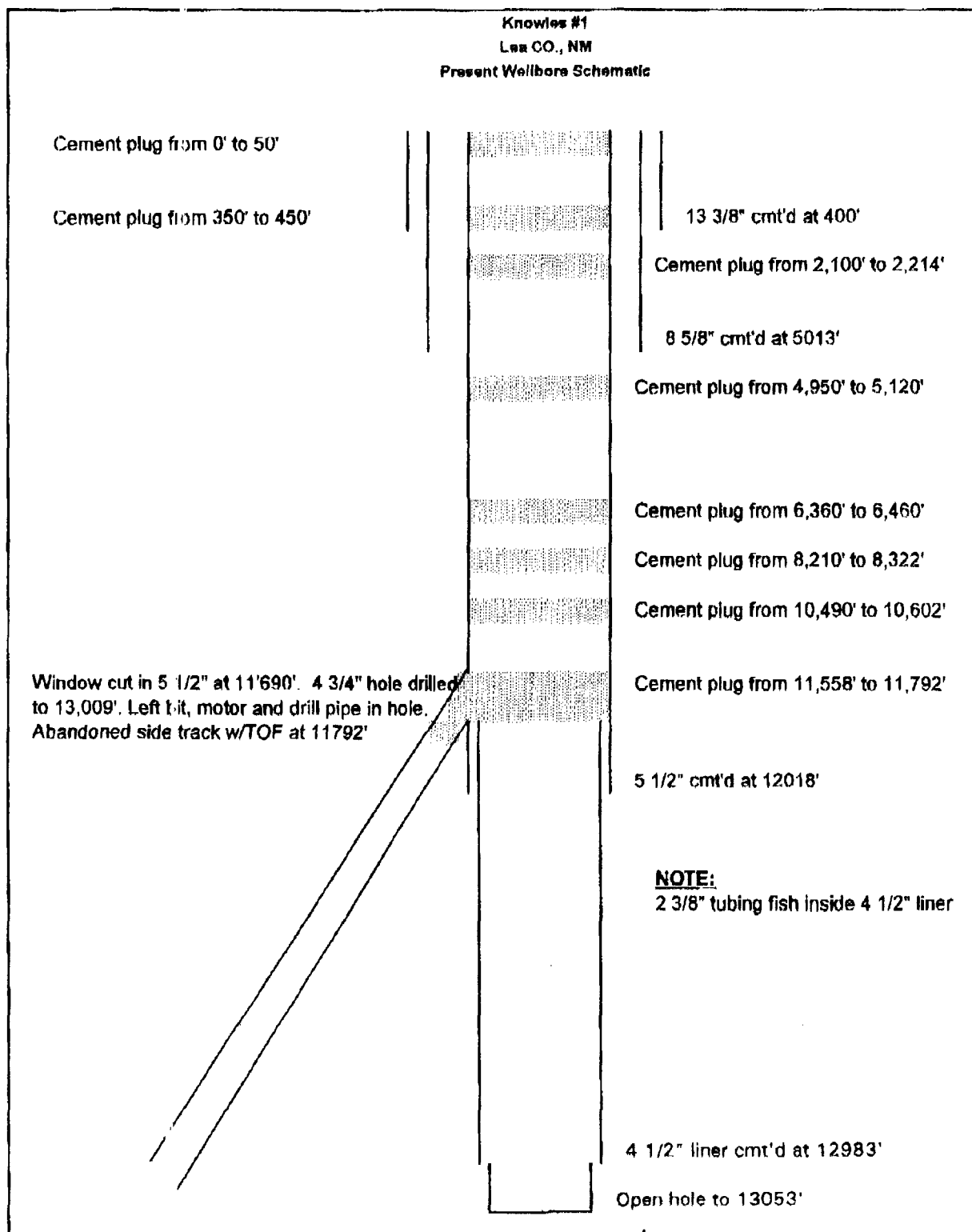
FAX NUMBER: 505-476-3471

DATE: 03/19/02

NUMBER OF PAGES (INCLUDING COVER): 2

COMMENTS: Schematic attached as per your request.

J. abernethy@primalenergy.net



Same window utilize

GILMER & ASSOCIATES

P.O. BOX 11402

MIDLAND, TEXAS 79702

PHONE: (915) 687-1166

FAX: (915) 683-6970

FAX TRANSMITTAL SHEET

SEND THE FOLLOWING PAGES TO: DAVID CATALANIT

COMPANY NAME: _____

FAX NUMBER: 505-476-3471FROM: JOE GILMERTOTAL NUMBER OF PAGES: 4 (including this cover sheet.)

If you do not receive all of the pages, please call back asap.

COMMENTS: _____

_____*joedadgilmer@msn.com*



P.O. Box 11402, Midland, TX 79702

(915) 687-1166

March 19, 2002

David Catanach
State Land Office
Santa Fe, New Mexico

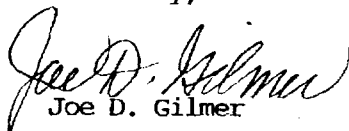
Dear Sirs:

B&W Southern Petroleum hereby requests to reenter and deviate the Primal Energy Knowles #1X well, located in Section 1 - T16S - R38E, Lea County, New Mexico. The well is proposed as a deviated well to reach a new BHL location approximately 100 feet south-southwest of the surface location. The purpose for deviating the well is to attempt to get away from junk left in the hole from a previous failed attempt to drill and complete the well as a deviated borehole.

The Knowles #1X well had previously produced over 27 MBO for the Devonian under Browning Oil Company. The Browning operation encountered mechanical problems, such as stuck packers, collapsed tubing and liner, as well as other operational problems. Due to the junk in hole, the well never produced as expected.

In August of 2001, Primal Energy Company attempted to reenter the Knowles #1X well for the purpose of completing from the Devonian formation from a new BHL, attempting to get away from the junk. Primal also encountered mechanical problems and also had to abandoned its borehole, again leaving junk in the hole. B&W now wishes to make one more attempt to deviate the well in order to attempt a completion in the Devonian. The BHL location is located on a mapped geologic feature that is expected to produce in commercial quantities. Using proper equipment and field personal, B&W fully expects this attempt to be successful.

Sincerely,


Joe D. Gilmer

MAR-18-2002 13:23

B&W SOUTHERN PETROLEUM

214 522 9245 P.03

DISTRICT I

PO Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Grabez 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-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33177	² Post Code 88544	³ Pool Name Southwest Denton-Devonian
⁴ Property Code 28911	⁵ Property Name Knapels	⁶ Well Number 1
⁷ OGR/D No 154303	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	1,425	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
J	1	16S	38E	10	3,736	1,520	Lea

¹² Dedicated Acres 40.0	¹³ Joint or Int. N	¹⁴ Consolidation Code	¹⁵ Order No.
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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 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature John Abernathy Printed Name Manager, Operations & Engineering Title 03/01/02 Date
	¹⁷ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from a balance of aerial 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 Signature and Seal of Professional Surveyor
	Certificate Number

TOTAL P.03

District I
PO Box 1960, Hobbs, NM 88241-1960
District II
211 South First, Artesia, NM 88210
District III
1000 Rio Bravo Rd., Alamo, 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 GORIO Number 154303
		³ API Number 30-025-33177
⁴ Property Code 26911	⁵ Property Name Knowles	⁶ Well No 1

Surface Location									
UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	N/S Line	Feet from the	E/W Line	County
J	1	16S	38E	10	3,827	N	1,425	E	Lea

⁷ Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	N/S Line	Feet from the	E/W Line	County
J	1	16S	38E	10	3,736	N	1,520	E	Lea
⁸ Proposed Pool 1 Southeast Denton-Devonian					⁹ Proposed Pool 2				

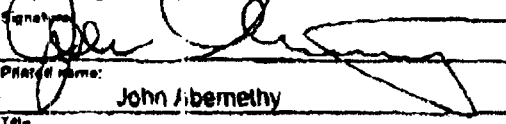
¹⁰ Work Type Code D	¹¹ Well Type Code O	¹² Cable/ Rotary R	¹³ Lease Type Code S	¹⁴ Ground Level Elevation 3,717'
¹⁵ Mudlog N	¹⁶ Proposed Depth 13,100'	¹⁷ Formation Devonian	¹⁸ Contractor Unknown	¹⁹ Spud Date 03/20/02

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"	4"	9.5 ppf	13'100' MD	100 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. Install wellhead and drill out plugs to +/-11,850'.
2. Clean out window in 5 1/2" at 11,850'.
3. Directionally drill to proposed new bottom hole.
4. Run and cement 4" 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 J. Bernethy
Title: Mgr. Oper. & Eng.

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Lea

POOL

Southeast Denton-Devonian

16 South

RANGE

38 East

NMPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a boustrophedon pattern, starting from the top right and moving left, then alternating rows to move right. The cell containing the number 1 is shaded with blue diagonal lines.

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: Lots 9, 10, 15, and 16 (R-10776, 2-28-97)

[illegible]