

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised May 08, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

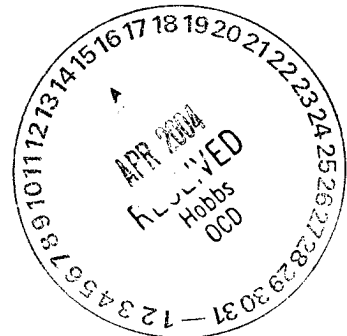
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-33177
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Primal Energy Corporation		6. State Oil & Gas Lease No. V-1222
3. Address of Operator 211 Highland Cross, Suite #227, Houston, TX 77073		7. Lease Name or Unit Agreement Name Knowles
4. Well Location Unit Letter <u>J</u> : <u>3,627</u> feet from the <u>N</u> line and <u>4,425</u> feet from the <u>E</u> line Section <u>1</u> Township <u>16S</u> Range <u>31E</u> NMPM County <u>Lea</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,717' GR		9. OGRID Number
		10. Pool name or Wildcat Southeast Denton-Devonian

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or completion.

See attached Proposed Plugging Procedure and Diagram.
Estimated date of proposed work: 4/1/04.

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE C-103 TO BE APPROVED.



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

SIGNATURE Barbara A. Tranum TITLE Agent DATE 2-13-04

Type or print name Barbara A. Tranum Telephone No. 432-697-4217
(This space for State use)

APPROVED BY Larry W. Wink OC FIELD REPRESENTATIVE II/STAFF MANAGER
Conditions of approval, if any: APR 19 2004 DATE

Knowles #1
Lea County, New Mexico

Surface casing: 13-3/8" @ 400', circulated to surface.
Intermediate casing: 8-5/8" @ 5,020', circulated to surface.
Production csg: 5½" @ 12,018', circulated to 570'.

SEE ATTACHED WELLBORE DIAGRAM

1. Dig & line 300 bbl working pit. Flow down well as needed. MIRU plugging equipment.
2. Unseat pump and POOH laying down rods and pump. NU BOP. Release TAC and POOH standing back production tubing, tally tubing.
3. RIH w/ production tubing to +/- 11,700'. RU cementer and load hole w/ mud, pump 30 sx cmt @ 11,700'. WOC and tag this plug for at least 100' of fill. Circulate hole w/ mud .
4. POOH w/ tbg to 10,600'. Pump 25 sx cmt @ 10,600'
5. POOH w/ tbg to 8,300'. Pump 25 sx cmt @ 8,300'
6. POOH w/ tbg to 6,450'. Pump 25 sx cmt @ 6,450'
7. POOH w/ tbg to 5,120'. Pump 30 sx cmt w/ 2% CaCl2 @ 5,120'. WOC and tag this plug.
8. POOH w/ tbg to 2,200'. Pump 25 sx cmt @ 2,200'. POOH w/ tbg.
9. RIH w/ wireline and perforate 5½" casing @ 450', POOH w/ wireline. RIH w/ AD-1 packer to 200' and squeeze 35 sx cmt 450 - 350'.
10. POOH w/ packer, ND BOP and wellhead.
11. Pump 10 sx C cmt 50' to surface. RDMO.
12. Cut off wellhead and anchors, install dry hole marker. Level location, empty and back-fill pit and cellar.

APR 19 2004

4131 N. CENTRAL EXPWY ♦ SUITE 910 ♦ DALLAS, TEXAS 75204 ♦ (214) 522-9200

13 3/8"/54.5#/155/STC @400'
cmtd to surface w/ 418 ex 'C'

8 5/8" / 32N / 355 / STC @ 5020'
cmtd to surface w/ 1820 sx 'C'
lead and 200 sx 'C' tail; circ 210
sx to surf

5 1/2"/17W/L80/LTC @ 12,018"
3stgs with DV tool @ 5067' and
hyd stg tool @ 10,547'
Stg1- 500ex 50/50 Poz/"H"
Stg2- Lead 1000ex 35/65 Poz/"H";
Tail 187 ex 50/50 Poz/"H"
Stg 3- Lead 300ex 35/65 Poz/"H";
Tail 187 ex 50/50 Poz/"H"
No cmt circ to surf

KOP @ 11,700'
Window 11,688-700'
CIBP @ 11,706'

Build @ 7 deg/100
Hold 25 deg to 13182'MD
(13050' TVD)

4 1/2"/11.6#/L80/FLAS @
12,893;

378" tag jet out @
12,996'

7 7/8" Open Hole 12,983-90'

1. Holes @ 12,570'
 2. Construction in the @ 12,482'
 3. Wells @ 12,955-73'

4 3/4" OH

3 7/8" Open Hole @ 12,990-13,053'

520 ft Horz Disp