

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



November 5, 2014

Primal Energy Corporation
21021 Springbrook Plaza Drive
Suite 160
Spring, TX 77379

Certified Mail No. 7014 1200 0002 1826 6141

RE: Ten "Wells to be Properly Abandoned" in Eddy and Lea County, NM as per attachment.

To whom it may concern:

As operator of record of the subject wells, Primal Energy Corporation ("Primal") is out of compliance with division rule 19.15.25.8 NMAC, which requires the operator to return wells to production or properly plug and abandon after a period of one year in which a well has been continuously inactive. Attempts in the past to bring several of these wells into compliance have gone unanswered.

Immediate action is now required on your part to resolve this matter. Please contact Daniel Sanchez in Santa Fe at 505-476-3496 before November 21, 2014 to discuss this matter.

If Primal fails to contact the OCD by the time specified, the matter will be referred to our legal department and a compliance hearing will be scheduled. At hearing, the OCD will seek a compliance order against Primal, requiring compliance with OCD Rules and seeking additional sanctions.

Respectfully,

A handwritten signature in black ink that reads "Maxey Brown".

Maxey Brown
District Supervisor, District I

Cc: Daniel Sanchez, Enforcement & Compliance Manager
Keith Herrmann, Assistant General Counsel

NOV 06 2014

PRIMAL ENERGY CORPORATION

<u>API Well #</u>	<u>Well Name and No.</u>
30-015-27635	Big Eddy Unit # 127
30-025-30812	Cochise-King Gas Com #1
30-025-09337	Cochise-King Gas Com #2
30-025-11103	Fowler Hair #1
30-025-11105	Fowler Hair #3
30-025-11107	Fowler Hair #5
30-025-24609	Harrison #1
30-025-24749	Harrison #2
30-025-24641	Judy #1
30-025-26262	Judy #3

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City, State, ZIP+4 SPRING, TX 77379	
PS Form 3800, August 2006 See Reverse for Instructions	