

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

Form C-105

Revised 1-1-89

Fee Lease - 5 copies

DISTRICT I

PO Box 1980, Hobbs, NM 88240

DISTRICT II

PO Drawer DD, Artesia, NM 88210

DISTRICT III

4000 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
7. Lease Name or Unit Agreement Name Knowles
8. Well No. 1
9. Pool name or Wildcat Southeast Denton - Devonian

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:
NEW WORK WELL ☐ OVER ☒ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐

2. Name of Operator
Primal Energy Corporation

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

4. Well Location BHL: J - 3737/N & 1588/E
Unit Letter J 3,627 Feet From The N Line and 1,425 Feet From The E Line

Section 1 Township 16S Range 38E NMPM Lea County

10. Date Spudded 3/27/02 11. Date T.D. Reached 5/27/02 12. Date Compl. (Ready to Prod.) 8/14/02 13. Elevations (DF & RKB, RT, GR, etc.) 3732' RKB 14. Elev. Casinghead 3717'

15. Total Depth 13,000' 16. Plug Back T.D. 12,991' 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools X Cable Tools

19. Producing Interval(s) of this completion - Top, Bottom, Name 12961-12976 12981-12988 Devonian 20. Was Directional Survey Made Yes attached

21. Type Electric and Other Logs Run GR-CNL-CBL 22. Was Well Cored No

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 sx C	
8 5/8"	32	5013'	11"	2020 sx C	
5 1/2"	17	12018'	7 7/8"	2174 sx C	
3 1/2" liner	9.2	13000'	4 3/4"	220 sx C	

LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
3 1/2"	11,230'	13,000'	220 sx C				

TUBING RECORD

26. Perforation record (interval, size, and number)
12961-12976 2 SPF
12981-12988 2 SPF

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
DEPTH INTERVAL 12961-12988' AMOUNT AND KIND MATERIAL USED 500 gal. 15% HCl

PRODUCTION

28. Date First Production 8/15/02 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 1.5"x144" Well Status (Prod. or shut-in) Prod.

Date of Test 8/17/02	Hours Tested 24	Choke Size OL	Prod'n For Test Period	Oil - Bbls. 22.0	Gas - MCF TSTM	Water - Bbls. 35	Gas - Oil Ratio Nil
Flow Tubing Pressure 20	Casing Pressure 20	Calculated 24-Hour Rate	Oil - Bbls. 22.0	Gas - MCF TSTM	Water - Bbls. 35	Oil Gravity - API - (Corr.) 46.3	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Lease use 30. List Attachments Test Witnessed By Ron Waller

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.

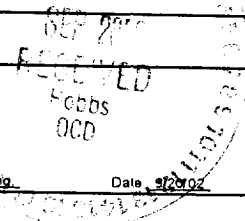
Signature

Printed

Name John Abernethy

Title Mgr. Oper. & Eng.

Date 9/29/02



KZ

INSTRUCTIONS

This form is to be filed in the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled 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 special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true 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 lands, 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 <u> </u>
T. Salt <u> </u>	T. Strawn <u>11194</u>
B. Salt <u> </u>	T. Atoka <u>11398</u>
T Yates <u>3210</u>	T. Miss <u>11686</u>
T. 7 Rivers <u> </u>	T. Devonian <u> </u>
*T. Queen <u> </u>	T. Silurian <u>12961</u>
T. Grayburg <u> </u>	T. Montoya <u> </u>
T. San Andres <u>5023</u>	T. Simpson <u> </u>
T. Glorieta <u>6425</u>	T. McKee <u> </u>
T. Paddock <u> </u>	T. Ellenburger <u> </u>
T. Blinebry <u> </u>	T. Gr. Wash <u> </u>
T. Tubb <u>7610</u>	T. Delaware Sand <u> </u>
T. Drinkard <u>7740</u>	T. Bone Springs <u> </u>
T. Abo <u>8265</u>	T. <u> </u>
T. Wolfcamp <u>9570</u>	T. <u> </u>
T. Penn <u> </u>	T. <u> </u>
T. Cisco(Bough C) <u> </u>	T. <u> </u>

T. Ojo Alamo_____	T. Penn "B"_____
T. Kirtland-Fruitland_____	T. Penn "C"_____
T. Pictured Cliffs_____	T. Penn "D"_____
T. Cliff House_____	T. Leadville_____
T. Menefee_____	T. Madison_____
T. Point Lookout_____	T. Elbert_____
T. Mancos_____	T. McCracken_____
T. Gallup_____	T. Ignacio Otzte_____
Base Greenhorn_____	T. Granite_____
T. Dakota_____	T. _____
T. Morrison_____	T. _____
T. Todito_____	T. _____
T. Entrada_____	T. _____
T. Wingate_____	T. _____
T. Chinle_____	T. _____
T. Permian_____	T. _____
T Penn "A"_____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from...12961.....to.....12988....

No. 3, from.....to.....

No. 2, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of flow 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

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

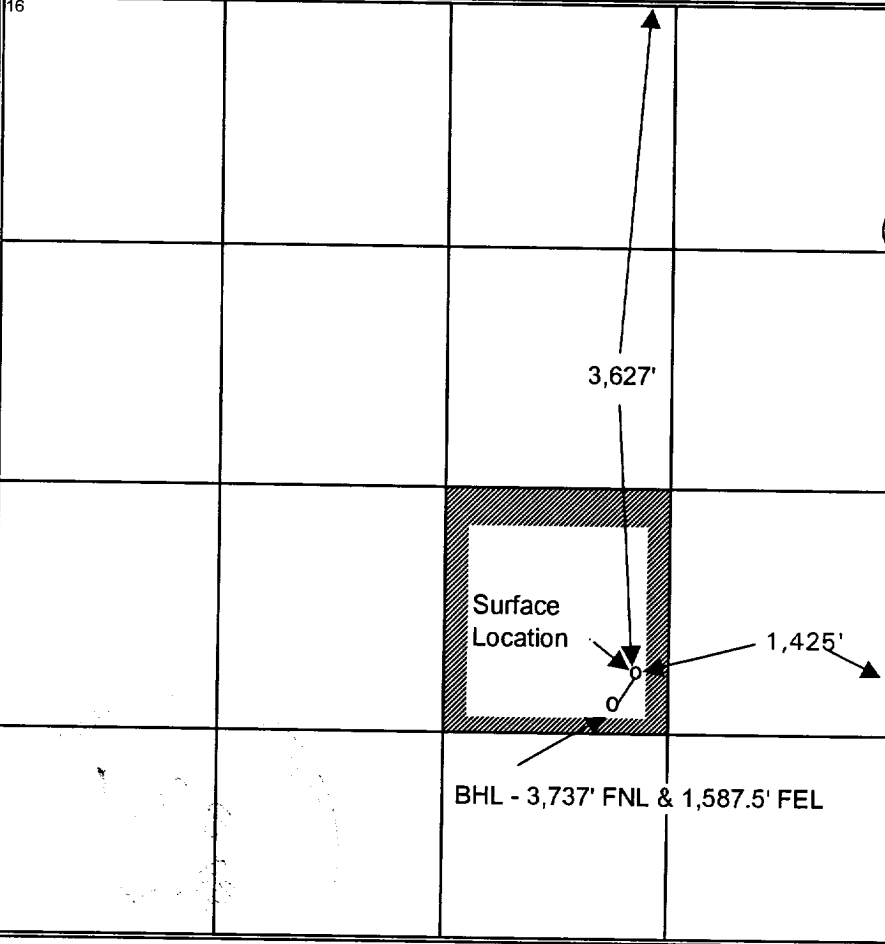
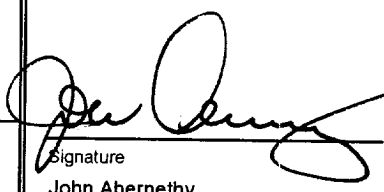
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33177	² Pool Code 96644	³ Pool Name Southeast Denton-Devonian
⁴ Property Code 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	3,737	N	1,587.5	E	Lea
¹² Dedicated Acres 40.0		¹³ Joint or Infill N		¹⁴ Consolidation Code		¹⁵ Order No. 1588			

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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature John Abernethy Printed Name Manager, Operations & Engineering Title 09/20/02 Date
	¹⁸ SURVEYOR CERTIFICATION 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. # Date of Survey Signature and Seal of Professional Surveyor Attached Certificate Number

DIRECTIONAL DRILLING CONTRACTORS
CONROE, TEXAS

GYROSCOPIC DIRECTIONAL SURVEY
BY MINIMUM CURVATURE

FOR

* PRIMAL ENERGY CORP *

JOB NUMBER: MGY-2105

SUR: 3627/N & 1425/E
BHL: 3737/N & 1588/E
J-1-16s-38e
API # 30-025-33177

WELL NAME: KNOWLES # 1

LOCATION: LEA COUNTY, NEW MEXICO

SURVEY DATE: AUGUST 27, 2002

SURVEY ENGINEER: ERIC ESTES

GYRO REFERENCE BEARING: Grid North

TIE-ON COORDINATES AT: 11606 M.D.
TAKEN FROM: SCIENTIFIC DRILLING SURVEY

***** DEPTH MEASURED IN FEET *****

***** THIS DIRECTIONAL SURVEY REPORT IS *****
***** ** CORRECT TO THE BEST OF MY KNOWLEDGE ** *****
***** * AND IS SUPPORTED BY ACTUAL FIELD DATA! * *****
***** ** ***** ** *****
***** ** ***** ** *****
***** COMPANY REPRESENTATIVE *****

COMMENTS: ANGLE & DIRECTION AT
13,014' MD IS INTERPOLATED

DIRECTIONAL DRILLING CONTRACTORS CONROE, TEXAS

JOB NUMBER: MGY-2105

WELL NAME: KNOWLES # 1

INRUN SURVEY BY MINIMUM CURVATURE

MEAS. DEPTH	VERT. DEPTH	VERT. SECT.	L/R CLOS.	INCL	BEARING AZIMUTH	COORDINATES LATITUDE DEPARTURE	D-LEG /100	D-LEG /CL	STATION DISP.	DISPLACEMENT DIRECTION
11606.0	11599.39	126.64	0.000	03.00	269.00	101.22 S 86.93 W	0.00		133.43	AT 220.66
11700.0	11693.07	135.92	-32.891	06.31	244.51	103.49 S 94.05 W	4.03	3.79	139.84	AT 222.27
11800.0	11792.38	147.57	-31.293	07.20	242.95	108.70 S 104.68 W	0.91	0.91	150.85	AT 223.90
11900.0	11891.84	157.83	-30.151	04.65	241.10	113.51 S 113.73 W	2.56	2.56	160.68	AT 225.05
12000.0	11991.57	164.44	-27.441	03.99	278.14	114.98 S 120.72 W	2.81	2.81	166.71	AT 226.40
12100.0	12091.31	168.73	-21.648	04.42	299.51	112.59 S 127.52 W	1.61	1.61	170.11	AT 228.56
12200.0	12191.02	170.95	-14.384	04.41	318.26	107.82 S 133.43 W	1.44	1.44	171.55	AT 231.06
12300.0	12290.80	172.24	-8.013	03.07	308.83	103.27 S 138.08 W	1.47	1.47	172.43	AT 233.21
12400.0	12390.66	175.33	-3.914	03.18	269.54	101.62 S 142.94 W	2.10	2.10	175.38	AT 234.59
12500.0	12490.53	179.89	-1.537	02.75	256.34	102.20 S 148.04 W	0.80	0.80	179.90	AT 235.38
12600.0	12590.41	184.72	-1.004	02.98	229.12	104.47 S 152.34 W	1.37	1.37	184.72	AT 235.56
12700.0	12690.29	189.52	-2.115	02.71	215.95	108.09 S 155.69 W	0.71	0.71	189.53	AT 235.23
12800.0	12790.23	192.77	-2.781	01.19	243.60	110.46 S 158.01 W	1.75	1.75	192.79	AT 235.04
12870.0	12860.22	194.05	-2.158	01.25	279.37	110.66 S 159.42 W	1.07	0.75	194.06	AT 235.23
13014.0	13004.18	196.33	0.004	01.25	279.32	110.15 S 162.52 W	0.00	0.00	196.33	AT 235.87

 * THE HORIZONTAL DISPLACEMENT AT THE DEPTH OF *
 * 13014.0 FEET EQUALS 196.33 FEET AT 235.87 *

