

Administrative Order NSL-4626(BHL)
Primal Energy Corporation
August 6, 2001
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the recognized leasehold operator; therefore, there are no adversely effected offsets to the subject 40-acre tract.

By the authority granted me under Division Rule 104.F (2), Primal is hereby authorized to recomplete its Knowles Well No. 1 as close as is reasonably possible to a targeted subsurface location within the Devonian formation underlying the proposed 40-acre unit comprising Lot 9 (Unit I) of Section 1 considered to be unorthodox 3940 feet from the North line and 1246 feet from the East line of Section 1.

Further, Primal shall comply with all provisions of Division Rule 111 applicable in this matter.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs /
New Mexico State Land Office - Santa Fe