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to Appropriate

District Office

DISTRICT I

PO Box 1980, Hobbs, NM 88241-1980

DISTRICT II

PO Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103

Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-34089
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-2317
7. Lease Name or Unit Agreement Name Hale State
8. Well No. 7
9. Pool name or Wildcat Justis Tubbs-Drinkard

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.)	
1. Type of Well OIL <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator Primal Energy Corporation	
3. Address of Operator 222 Pennbright, #116, Houston, TX 77090	
4. Well Location Unit Letter <u>G</u> <u>1,650</u> Feet From The <u>North</u> Line and <u>1,750</u> Feet From The <u>East</u> Line Section <u>2</u> Township <u>25S</u> Range <u>37E</u> NMPM <u>Lea</u> County 10 Elevation (Show whether DF, RKB, RT, GR, etc.) 3,156' GL	

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input checked="" type="checkbox"/>	PLUG & ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST & CEMENT JOB <input checked="" type="checkbox"/>	
OTHER <input type="checkbox"/>		OTHER <input type="checkbox"/>	

12. 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

1. Spud well 9/5/97 with Capstar #9.
2. Drill 12 1/4" hole to 1614' and ran 8 5/8" surface casing to 1605'. Cemented with 630 sx C + 4%gel + 2% calcium chloride followed by 200 sx C + 2% calcium chloride. Cement top found at 45'. Top out with pea gravel.
3. Nipple up and test BOPE and casing to 1000#.

In future should 1" cement to surface

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

SIGNATURE

TITLE Manager, Operations & Engineering

DATE 9/9/97

TYPE OR PRINT NAME

John Abernethy

TELEPHONE NO 231-875-5100

(This space for State Use)

APPROVED BY

Orig. Signed by
Paul Kautz
Geologist

TITLE

DATE

OCT - 8 1997

CONDITIONS OF APPROVAL IF ANY