

PrimeEnergy Management Corporation

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September 18, 1996

Mr. Paul Kantz Geologist Oil Conservation Division 1000 Broadway Hobbs, New Mexico 88240

Re: Possh No. 3 Recompletion

Dear Paul,

It was a pleasure to talk to you last week regarding Prime's sundry notice for the Possh No. 3 recompletion, a copy of which is attached. As I mentioned, I have recently correlated all available logs in the area and I have based the correlation for the top of the Queen on Cross-Section 3 ("Sheet 3 of 10") published by the Conservation Commission. Enclosed you will find a copy of part of Cross-Section 3 and additional one-inch electric logs for the Possh No. 3, Shell State B-36 No. 1, and the State W. No. 1. In addition, you will find enclosed a map on the top of the Seven Rivers with these wells circled.

In this shelf margin area of the Seven Rivers there is dramatic thickening and thinning of these carbonates. At the location of the Possh No. 3 well the Seven Rivers is anomalously thick. I believe it is due to a shelf edge carbonate buildup, as illustrated on the structure map. The Shell State B-36 No. 1, on the eastern edge of the buildup, also shows this thickening. I have color coded the various sand bodies and have highlighted the dolomites in blue. The top of the Yates, Seven Rivers and Queen have been marked on the logs.

I would appreciate it if you would please review this information. As marked on the Possh No. 3 log, the top of the Queen is at 3500'. As you pointed out, the recent Sundry notice for this recompletion should be designated as Jalmat. Please find attached a revised sundry notice for your approval.

If you have any questions or need further information please do not hesitate to call me.

Sincerely.

Halsey M. Whitney Geologist