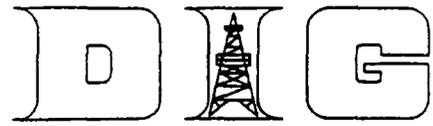
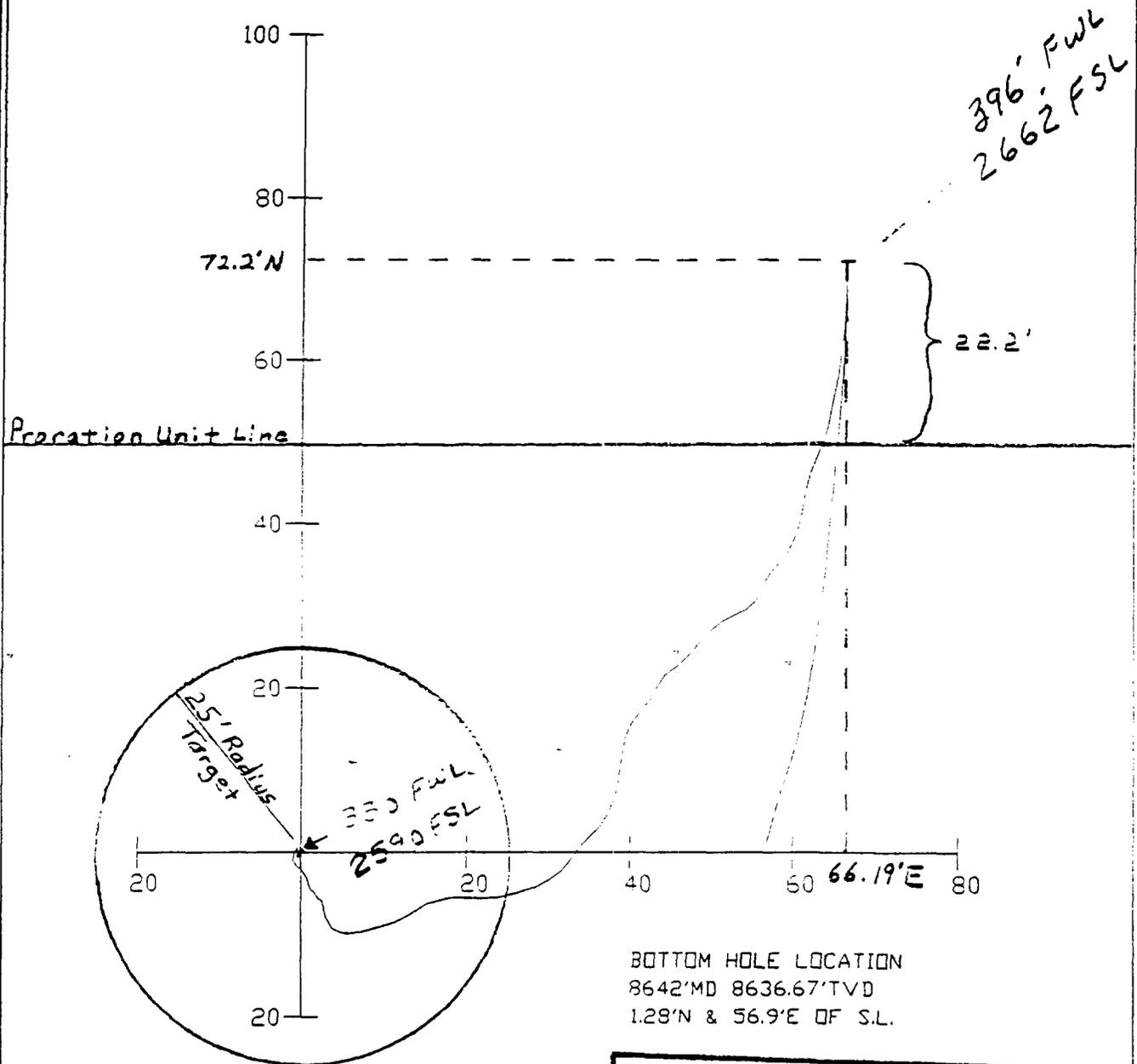


H.L. BROWN  
FEDERAL 27 #2  
ROOSEVELT COUNTY, N.M.



HORIZONTAL PLAN  
SCALE: 20 FEET/DIVISION



BOTTOM HOLE LOCATION  
8642' MD 8636.67' TVD  
1.28' N & 56.9' E OF S.L.

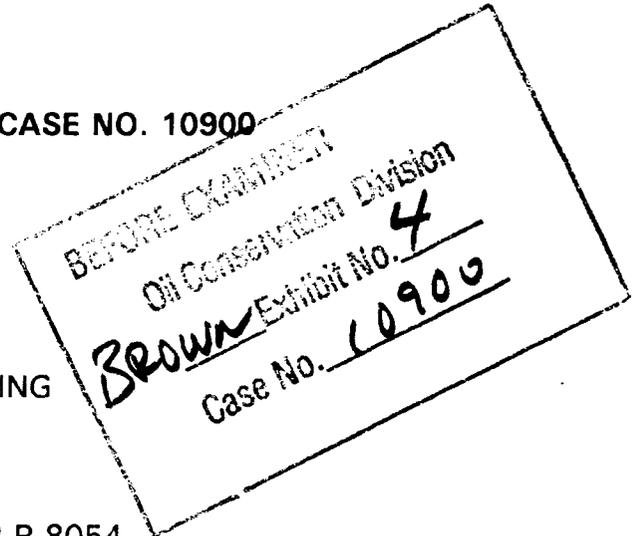
**BEFORE EXAMINER**  
Oil Conservation Division  
BROWN Exhibit No. 3  
Case No. 10900

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION  
FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10900

APPLICATION OF H.L. BROWN  
TO AMENDED ORDER R-9935 TO APPROVE  
AN UNORTHODOX GAS WELL LOCATION,  
ROOSEVELT COUNTY, NEW MEXICO.



CERTIFICATE OF MAILING

AND

COMPLIANCE WITH ORDER R-8054

W. THOMAS KELLAHIN, attorney in fact and authorized representative of H. L. Brown, states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 12th day of January 1994, I caused to be mailed by certified mail return-receipt requested notice of this hearing and a copy of the application for the above referenced case along with the cover letter, at least twenty days prior to the hearing set for February 3, 1994, to the parties shown in the application as evidenced by the attached copies of return receipt cards, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

W. Thomas Kellahin  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 1st day of FEBRUARY, 1994.

Michel Guadagnolo  
Notary Public

My Commission Expires:  
June 7, 1994

P. 321 001 092



Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Seabrook Corporation  
535 17th Street, Suite 1000  
Denver, CO 80202-3910

800. June 1991

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
POSTAL Postage & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for address so that we can  
 H. L. Brown  
 01/12/94  
 does not permit.  
 • Write "Return Receipt Requested" on the mailpiece below the article number.  
 • The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

3. Article Addressed to:  
 Seabrook Corporation  
 535 17th Street, Suite 1000  
 Denver, CO 80202-3910

4a. Article Number  
 321 001 092

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 1/14/94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 321 001 093



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sheep Mountain Roayty  
Company  
P.O. Box 2237  
Midland, Texas 79702-2237

PS Form 3800, June 1991

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

• Complete items 1 and/or 2 for additional services

H. L. Brown  
01/12/94

so that we can  
back if space

- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Sheep Mountain Roayty  
Company  
P.O. Box 2237  
Midland, Texas 79702-2237

4a. Article Number  
321 001 093

4b. Service Type

Registered     Insured  
 Certified     COD  
 Express Mail     Return Receipt for Merchandise

7. Date of Delivery  
JAN 14 1994

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991

U.S. GPO: 1992-323-402

**DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 321 001 087



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

R. E. Smith Trust  
Ms. Suzanne Benson  
Suite 1050  
1900 West Loop South  
Houston, Texas 77027

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (Showing to Whom & Date Delivered)	
Return Receipt (Showing to Whom Date, and Addressee's Address)	
TOTAL Postage & Fees	\$
Postmark (if Date)	

PS Form 3800, June 1991

H. L. Brown  
01/12/94

Is your RETURN ADDRESS completed on the reverse side?

<b>SENDER:</b> • Complete items 1 through 3. H. L. Brown 01/12/94 so that we can back if space • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: R. E. Smith Trust Ms. Suzanne Benson Suite 1050 1900 West Loop South Houston, Texas 77027		4a. Article Number 321 001 087 4b. Service Type <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise
5. Signature (Addressee) <i>Linda Mosley</i> 6. Signature (Agent)		7. Date of Delivery 1-14-94 8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 321 001 089



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

**Minerals Management  
Service Royalty  
Box 5810  
Denver, Co 80217-5810**

Postage Due	
Basic Delivery Fee	
Restricted Delivery Fee	
Return Receipt (Showing to Whom & Date Delivered)	
Return Receipt (Showing to Whom & Date of Postage)	
Postage in Advance	\$
Postmark of Office	

100, June 1991

**H. L. Brown  
01/12/94**

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

• Complete items 1 and/or 2 for additional services.

**H. L. Brown**

so that we can

**01/12/94**

• Write "Return Receipt Requested" on the mailpiece below the article number.

• The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

**Minerals Management  
Service Royalty  
Box 5810  
Denver, Co 80217-5810**



4a. Article Number

**321 001 089**

4b. Service Type

Registered  Insured

Certified  COD

Express Mail  Return Receipt for Merchandise

7. Date of Delivery

**1-14-94**

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

**CHAMPION MESSENGER**

6. Signature (Agent)

**P.O. BOX 6954  
DENVER, CO 80206**

PS Form 3811, December 1991 U.S. GPO: 1992-323-402

**DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the back side?

**SENDER:**  
H. L. Brown  
01/12/94

n so that we can  
back if space

I also wish to receive the following services (for an extra fee):  
1.  Addressee's Address  
2.  Restricted Delivery  
Consult postmaster for fee.

Write "Return Receipt Requested" on the mailpiece below the article number.  
The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:  
Ronadero Company, Inc  
P.O. Box 430  
Roswell, NM 88202-0430

4a. Article Number  
321 001 094

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
1-14-94

5. Signature (Addressee)  
*[Handwritten Signature]*

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 \*U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 321 001 094



**Receipt for Certified Mail**  
No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Ronadero Company, Inc  
P.O. Box 430  
Roswell, NM 88202-0430

3800, June 1991

Article Number	
Article Description	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

321 001 086



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Estate of Vivian L. Smith  
Attention: Ms. Suzanne Benson  
Suite 1050  
1900 West Loop South  
Houston, Texas 77027

800, June 1991

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (including to Whom & Date Delivered)	
Return Receipt (including to Whom Date and Addressee's Address)	
POSTAGE & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
H. L. Brown  
01/12/94

I also wish to receive the following services (for an extra fee):

- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:  
Estate of Vivian L. Smith  
Attention: Ms. Suzanne Benson  
Suite 1050  
1900 West Loop South  
Houston, Texas 77027

4a. Article Number  
321 001 086

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
1-14-94

5. Signature (Addressee)  
*Linda Mosley*  
6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

P 321 001 090



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

**B.A. OBrien &  
E.O. O'Brien  
5461 West Kent Place  
Denver, CO 80235-2928**

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

3800, June 1991

**H. L. Brown  
01/12/94**

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

**H. L. Brown  
01/12/94**

so that we can

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

**B.A. OBrien &  
E.O. O'Brien  
5461 West Kent Place  
Denver, CO 80235-2928**

4a. Article Number

**321 001 090**

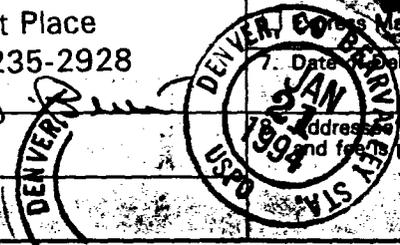
4b. Service Type

- Registered  Insured
- Certified  COD
- Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)



Address (Only if requested and fees paid)

Thank you for using Return Receipt Service.



Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
H. L. Brown  
01/12/94

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to: *20*  
Clem E. George  
401 W. Texas, Suite 501.  
Midland, Texas 79701

4a. Article Number  
*321 001 084*

- 4b. Service Type
- Registered  Insured
  - Certified  C&D
  - Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
*JAN 18 1994*

5. Signature (Addressee)  
*Clem E. George*

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 321 001 084



Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
See Reverse

Clem E. George  
401 W. Texas, Suite 501.  
Midland, Texas 79701

800 June 1991

Return Receipt showing to whom & Date Delivered	
Return Receipt showing to whom Date and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

P 321 001 088



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Engineer's Trust # 1  
P.O. Box 2237  
Midland, Texas 79702-2237

NOV 1991

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (knowing to whom & date delivered)	
Return Receipt (knowing to whom & addressee's address)	
TOTAL postage & Fees	\$
Postmark or Date	

H. L. Brown  
01/12/94

Is your RETURN ADDRESS completed on the reverse side?

<b>SENDER:</b> H. L. Brown 01/12/94 • Attach this receipt if you do not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Engineer's Trust # 1 P.O. Box 2237 Midland, Texas 79702-2237		4a. Article Number 321 001 088	
5. Signature (Addressee)		4b. Service Type <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise	
6. Signature (Agent)		7. Date of Delivery JAN 13 1994	
		8. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.

P 321 001 085



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Betty S. George  
c/o Clem E. George  
401 W. Texas, Suite 501  
Midland, Texas 79701

PS Form 3800, June 1991

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	H. L. Brown 01/12/94

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**  
 • Complete items 1 and/or 2 for additional services.  
 H. L. Brown  
 01/12/94  
 so that we can  
 back if space

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

• Write "Return Receipt Requested" on the mailpiece below the article number.  
 • The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:  
 Betty S. George  
 c/o Clem E. George  
 401 W. Texas, Suite 501  
 Midland, Texas 79701

4a. Article Number  
 321 001 085

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
 JAN 18 1994

5. Signature (Addressee)  
 [Handwritten Signature]

6. Signature (Agent)  
 [Handwritten Signature]

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

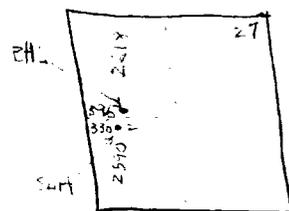
5280

Case 10900 - H.L. Brown - Unorthodox Gas Well loc.  
Amend Div. Order No. R-9935  
Roosevelt Co. (Hobbs Dist)

Tom K - H.L. Brown, - W.I. all the same  
John Gray (Engr. Witness) ~~W.I.~~ ~~#~~

- Wolfcamp N Pod of reservoir - Wolfcamp tested at 320 MCF/day - 2 bbls cond.
- Well makes less condensate
- All WI owners agree to WC well + 320,

Blitt Wolfcamp - statewide since 1988 - 320 spring  
as to 320  
Est. 2-26-60; 660 side; 1980 end; 330 from 1/4 1/4.  
BHL only 22' from 1/4 1/4



Questions:

- West offsets? -
- Was notice given to all offset proration units.
- Could well have qualified for an -  
Administrative approval. -
- Where is OKRI. -
- W.I. -
- Was ~~any~~ well a new well - yes.
- ? on CAOF - -

TWA

**JAN 28 1991**

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10900

APPLICATION OF H. L. BROWN  
TO AMENDED ORDER R-9935 TO APPROVE  
AN UNORTHODOX GAS WELL LOCATION,  
ROOSEVELT COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by H. L. BROWN,  
JR. as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

APPLICANT

H. L. Brown Jr.  
P. O. Box 2237  
Midland, Texas 79702-2237  
Attn: Q. Peter Courtney  
(915) 683-5216

ATTORNEY

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

OPPOSITION OR OTHER PARTY

ATTORNEY

None

**STATEMENT OF CASE**

APPLICANT

H. L. Brown, Jr., has the right to drill and operate the W/2 of Section 27, T7S, R37E, NMPM, Roosevelt County, New Mexico.

On August 9, 1993, the Division issued Order R-9935 which authorized H. L. Brown, Jr. to drill his Federal #27-2 Well at an unorthodox oil well location 330 feet FWL and 2590 feet FSL of said Section 27 and to dedicate the N/2SW/4 of said Section 27 as a standard 80-acre oil spacing and proration unit for production from the North Bluitt Siluro-Devonian Pool.

The Special Rules and Regulations for the North Bluitt Siluro-Devonian Pool (Order R-8586) required wells to be located within 150 feet of the center of a quarter-quarter section.

H. L. Brown, Jr. drilled his Federal #27-2 Well and tested the North Bluitt Siluro-Devonian Pool but was unable to establish economic production in that pool.

H. L. Brown, Jr. recompleted his Federal #27-2 Well to the Bluitt-Wolfcamp Gas Pool and desires to amend Order R-9935 to authorize production from said Wolfcamp formation at an unorthodox location. A directional survey for the Federal #27-2 Well has established that the top of the Wolfcamp formation is at a location 396 feet FWL and 2618 feet FNL of said Section 27 which is an unorthodox gas well location.

H. L. Brown, Jr. proposes to dedicate the W/2 of said Section 27 to this Wolfcamp production.

Pre-Hearing Statement  
Case No. 10900  
Page 3

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES		EST. TIME	EXHIBITS
John Grey	(P.E.)	25 Min.	5 exhibits

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN AND KELLAHIN

By: \_\_\_\_\_  
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285