District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address	OGRID Number
TOM BROWN INC 508 W. Wall, Suite 500 Midland, TX 79701	23230
	API Number 30-015-33204

Property Code	Property Name	Well No.
32895	FORNI	002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	15	22S	27E	N	660	S	660	W	Eddy

Proposed Pools

CARLSBAD;MORROW, SOUTH (PRO GAS) 73960

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	GAS		Private	3107
Multiple	**Proposed Depth**	**Formation**	**Contractor**	**Spud Date**
N	12000	Morrow		03/01/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	350	0
Intl	12.25	9.625	36	3000	800	0
Prod	8.75	5.5	17	10000	1400	2800
Prod	8.75	5.5	17	12000	1400	2800

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Shaffer
Double Ram	5000	5000	Shaffer

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13226 Exhibit No. 15
Submitted by:
OXY USA WTP LTD. PARTNERSHIP
Hearing Date: March 4, 2004

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Electronically Signed By: Brian Franks	**OIL CONSERVATION DIVISION** Electronically Approved By: Bryan Arrant
Title:	Title: Geologist
Date: 01/21/2004 / Phone: 432-688-9598	Approval Date: 01/30/2004 / Expiration Date: 01/30/2005
	Conditions of Approval: There are conditions. See Attached.

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Form C-

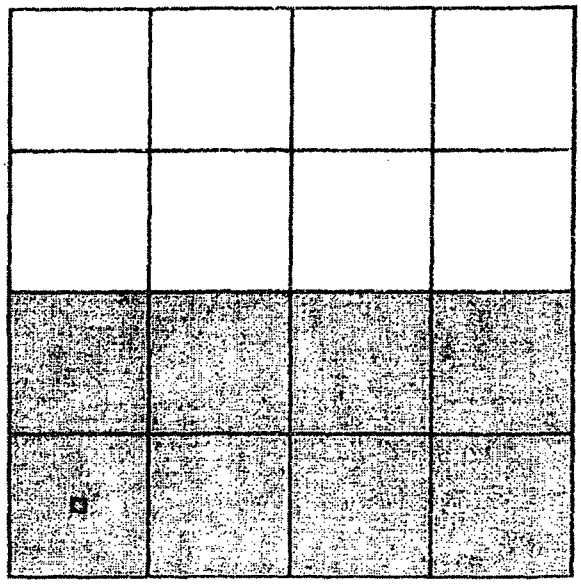
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name	Pool Code
30-015-33204	CARLSBAD;MORROW, SOUTH (PRO GAS)	73960
Property Code	**Property Name**	**Well No.**
32895	FORNI	002
OGRID No.	**Operator Name**	**Elevation**
23230	TOM BROWN INC	3107

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	15	22S	27E	N	660	S	660	W	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			



OPERATOR CERTIFICATION

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

Electronically Signed By: Brian Franks

Title:

Date: 01/21/2004

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Eidson

Date of Survey: 01/13/2004

Certificate Number: 12641

Permit Conditions Of Approval

Operator: TOM BROWN INC , 23230
Well: FORNI #002

OCD Reviewer	Condition
BARRANT	Operator to set surface casing @ Salado formation. Review offset wells/logs for more information.

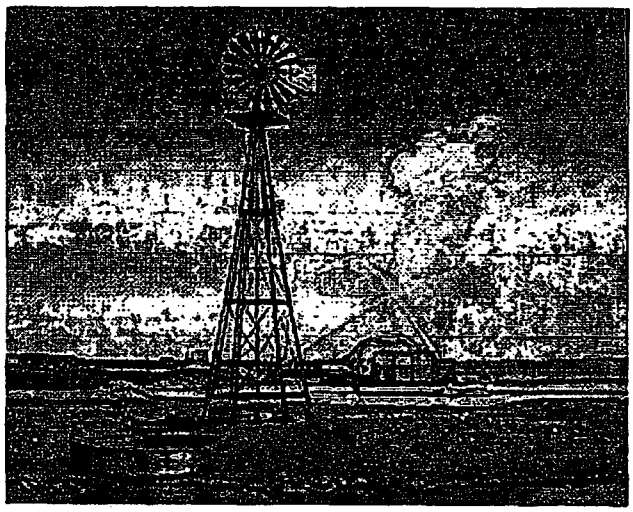
above

TOM BROWN INC

Legals:

FORNI #2
12,000' MORROW WELL
SECTION 15, T-22-S, R-27-E
660' FSL 660' FWL
EDDY COUNTY, NEW MEXICO

"CONTINGENCY PLAN"



CALLAWAY SAFETY EQUIPMENT CO., INC.
3229 N. INDUSTRIAL DR.
HOBBS, NEW MEXICO 88240
(505) 392-2973

RECEIVED
JAN 29 2004
OCD-ARTESIA

Table of Contents

X. General Information Section

A. Drilling / Re-entry Permits

B. 100 ppm Exposure Radius Chart

C. 500 ppm Exposure Radius Chart

D. Toxic Effects of Hydrogen Sulfide Poisoning

E. Use of Self Contained Breathing Apparatus

F. Rescue-First Aid for Hydrogen Sulfide Poisoning

I. H2S CONTINGENCY PLAN SECTION

Scope

This contingency plan establishes guidelines for all company employees and contract employees whose work activities may involve exposure to Hydrogen Sulfide gas (H2S).

Objective

1. Prevent any and all accidents and prevent the uncontrolled release of H2S into the atmosphere.

2. Provide proper evacuation procedures to cope with emergencies.

3. Provide immediate and adequate medical attention should an injury occur.

Discussion of Plan

Implementation: This plan, with all details, is to be fully implemented prior to drilling below 1000'.

Emergency Response Procedure: This section outlines the conditions and denotes steps to be taken in the event of an emergency.

Emergency Equipment and Procedure: This section outlines the safety and emergency equipment that will be required for the drilling of this well.

Training Provisions: This section outlines the training provisions that must be adhered to prior to drilling into the Morrow Formation.

Emergency Call Lists: Included are the telephone numbers of all persons that would need to be contacted should an emergency occur.

Briefing: This section deals with the briefing of all people involved in the drilling operation.

Public Safety: Public Safety Personnel will be made aware of the drilling of this well.

Check Lists: Status Check Lists and Procedural Check Lists have been included to insure adherence to the plan.

General Information: A general information section has been included to supply support information.

II. EMERGENCY PROCEDURES SECTION

Emergency Procedures

I. In the event of any evidence of H2S level above 10 ppm, take the following steps immediately:

   A. Secure breathing apparatus.

   B. Order non-essential personnel out of the danger zone.

   C. Take steps to determine if the H2S level can be corrected or suppressed and if so, proceed with normal operations.

II. If uncontrollable conditions occur, proceed with the following:

   A. Take steps to protect and / or remove any public downwind of the rig including partial evacuation or isolation. Notify necessary public Safety personnel and Tom Brown Inc., Drilling Engineer, Brian Franks of the situation.

   B. Remove all personnel to the Safe Briefing Area.

   C. Notify public safety personnel for help with maintaining roadblocks and implementing evacuation.

   D. Determine and proceed with the best possible plan to regain control of the well. Maintain tight security and safety procedures.

III. Responsibility

   A. The Company Approved Supervisor shall be responsible for the total implementation of the plan.

   B. The Company Approved Supervisor shall be in complete command during any emergency.

   C. The Company Approved Supervisor shall designate a back up Supervisor in the event that he / she is not available.

Emergency Reaction Steps

I. Drilling or Tripping

A. All Personnel

1. When alarm sounds, don escape unit and report to upwind Safe Briefing Area

2. Check status of other personnel (Buddy System).

3. Secure breathing apparatus.

4. Await order from Supervisor

B. Drilling Foreman

1. Report to the upwind Safe Briefing Area.

2. Don breathing apparatus and return to the point of release with the Tool Pusher or Driller (Buddy System).

3. Determine the concentration of H2S.

4. Assess the situation and take appropriate control measures.

C. Tool Pusher

1. Report to the upwind Safe Briefing Area.

2. Don breathing apparatus and return to the point of release with the Drilling Foreman or Driller (Buddy System).

3. Determine the concentration of H2S.

4. Assess the situation and take appropriate control measures.

D. Driller

1. Don escape unit.

2. Check monitor for point of release.

3. Report to the Safe Briefing Area.

4. Check the status of other personnel (in a rescue attempt, always use the buddy system).

5. Assign the least essential person to notify the Drilling Foreman and Tool Pusher, in the event of their absence.

6. Assume the responsibility of the Drilling Foreman and Tool Pusher until they arrive, in the event of their absence.

E. Derrick Man

1. Remain in the Safe Briefing Area until otherwise instructed by Supervisor.

F. Mud Engineer

1. Report to Safe Briefing Area.

2. When instructed, begin check of mud for pH level and H2S level.

G. Safety Personnel

1. Don appropriate breathing apparatus.

2. Check status of all personnel.

3. Await instructions from Drilling Foreman

II. Taking a Kick

A. All personnel report to Safe Briefing Area.

B. Follow standard BOP procedures.

III. Open Hole Logging

A. All unnecessary personnel should leave the rig floor.

B. Drilling Foreman and Safety personnel should monitor the conditions and make necessary safety equipment recommendations.

IV. Running Casing or Plugging

A. Follow "Drilling or Tripping" procedures.

B. Assure that all personnel have access to protective equipment.

Simulated Blowout Control Drills

All drills will be initiated by activating alarm devices (air horn). One long blast, on air horn, for Actual and Simulated Blowout Control Drills. The Drilling Foreman or Tool Pusher will perform this operation at least one time per week for each of the following conditions, with each crew:

Drill 1	Bottom Drilling
Drill 2	Tripping Drill Pipe

In each of these drills, the initial reaction time to shutting in the well shall be timed as well as the total time for the crew to complete its entire pit drill assignment. The times must be recorded on the IADC Driller's Log as "Blowout Control Drill".

Drill No.: _____

Reaction time to shut-in: _____ minutes, _____ seconds.

Total time to complete assignment: _____ minutes, _____ seconds.

I. Drill Overviews

A. Drill No. 1--Bottom Drilling

1. Sound the alarm immediately
2. Stop the rotary and hoist the kelly joint above the rotary table.
3. Stop the circulatory pump.
4. Close drill pipe rams.
5. Record casing and drill pipe shut-in pressures and pit volume increases.

B. Drill No. 2--Tripping Drill Pipe

1. Sound the alarm immediately
2. Position the upper tool joint just above the rotary table and set slips.
3. Install a full opening valve or inside blowout preventer tool in order to close the drill pipe.
4. Close the drill pipe rams.
5. Record the shut-in annular pressure.

II. Crew Assignments

A. Drill No. 1—Bottom Drilling

1. Driller

a. Stop the rotary and hoist Kelly joint above the rotary table.

b. Stop the circulatory pump.

c. Check flow.

d. If flowing, sound the alarm immediately.

e. Record the shut-in drill pipe pressure.

f. Record all data reported by the crew.

g. Determine the mud weight increase needed or other courses of action.

2. Derrickman

a. Open choke line valve at BOP.

b. Signal Floor Man #1 at accumulator, that choke line is open.

c. Close choke and upstream valve after pipe tams have been closed.

d. Read the shut-in annular pressure and report readings to Driller.

3. Floor Man #1

a. Close the pipe tams after receiving the signal from the Derrickman.

b. Report to Driller for further instructions.

4. Floor Man #2

a. Notify the Tool Pusher and Operator Representative of the H2S alarms.

b. Check for open fires and if safe to do so, extinguish them.

c. Stop all welding operations.

d. Turn off all non-explosion proof lights and instruments.

e. Report to Driller for further instructions.

5. Tool Pusher

   a. Report to the rig floor.

   b. Have a meeting with all crews.

   c. Compile and summarize all information.

   d. Calculate the proper kill weight.

   e. Ensure that proper well procedures are put into action.

6. Operator Representative

   a. Notify the Drilling Superintendent.

   b. Determine if an emergency exists and if so, activate the contingency plan.

B. Drill No. 2—Tripping Pipe

1. Driller

   a. Sound the alarm immediately when mud volume increase has been detected.

   b. Position the upper tool joint just above the rotary table and set slips.

   c. Install a full opening valve or inside blowout preventor tool to close the drill pipe.

   d. Check flow.

   e. Record all data reported by the crew.

   f. Determine the course of action.

2. Derrickman

   a. Come down out of derrick.

   b. Notify Tool Pusher and Operator Representative.

   c. Check for open fires and, if safe to do so, extinguish them.

   d. Stop all welding operations.

   e. Report to Driller for further instructions.

3. Floor Man #1

   a. Pick up full opening valve or inside blowout preventers and stab into tool joint above rotary table (with Floor Man #2).

   b. Tighten valve with back-up tongs.

   c. Close pipe rams after signal from Floor Man #2.

   d. Read accumulator pressure and check for possible high-pressure fluid leaks in valves or piping.

   e. Report to Driller for further instructions.

4. Floor Man #2

   a. Pick-up full opening valve or inside blowout preventers and stab into tool joint above rotary table (with Floor Man #1).

   b. Position back-up tongs on drill pipe.

   c. Open choke line valve at BOP.

   d. Signal Floor Man #1, at accumulator, that choke line is open.

   e. Close choke and upstream valve after pipe rams have been closed.

   f. Check for leaks on BOP stack and choke manifold.

   g. Read annular pressure.

   h. Report readings to the Driller.

5. Tool Pusher

   a. Report to rig floor.

   b. Have a meeting with all crews.

   c. Compile and summarize all information.

   d. Calculate proper kill weight.

   e. See that proper well kill procedures are put into action.

6. Operator Representative

   a. Notify Drilling Superintendent.

   b. Determine if an emergency exists, and if so, activate the contingency plan.

V. EMERGENCY EQUIPMENT SECTION

Emergency Equipment Requirements

I. Signs
   A. Located at the location entrance with the following information:

CAUTION - POTENTIAL POISON GAS
HYDROGEN SULFIDE
NO ADMITTANCE WITHOUT AUTHORIZATION

II.* Fresh air breathing equipment
   A. Air line units for all rig personnel on location.
   B. Cascade system with hose lines to rig floor and one to the derrickman and other operation areas. Spare cascade (trailer) on location.

III. Wind Socks or Wind Streamers
   A. Two 10" windsocks located at strategic locations at a height visible from the rig floor.
   B. Wind streamers (if preferred) to be placed at various locations on the well site to insure wind consciousness at all times. (Corners of location).

IV. Hydrogen Sulfide detector and alarms.
   A. 1 - four channel H2S monitor with alarms.
   B. 4 - Sensors, located at floor, bell nipple, shale shaker and pits.0
   * C. Hand operated detectors with tubes.
   * D. H2S monitor tester.

V. Condition sign and flags
   A. One each of green, yellow and red condition flags to be displayed to denote conditions:

GREEN	**Normal Conditions**
YELLOW	**Potential Danger**
RED	**Danger, H2S Present**

   B. The condition flag shall be posted at the location entrance.

VI.* Auxiliary rescue equipment
   A. Stretcher
   B. Two 100' lengths of 5/8" nylon rope.

VII.* Mud Inspection devices
   A. Garrett Gas Train or Hach Tester for inspection of Hydrogen Sulfide concentration in the mud system.

VIII. Fire Extinguishers
   A. Adequate fire extinguishers shall be located at strategic locations.

IX. Blowout prevention equipment
   A. The well shall have hydraulic BOP equipment for the anticipated BHP.
   B. Equipment must be tested upon installation.

X.* Combustible gas detectors
   A. There shall be one combustible gas detector on location at all times.