2-27-04

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

APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR RESCISSION OF THE APPROVAL OF AN APPLICATION FOR PERMIT TO DRILL, AND FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 13,226

RESPONSE OF TOM BROWN, INC.
IN OPPOSITION TO
MOTION FOR STAY OF DRILLING PERMIT

Tom Brown, Inc. ("Tom Brown") submits this response in opposition to the motion filed by OXY USA WTP Limited Partnership ("OXY") on February 26, 2004, requesting a stay of the drilling permit ("APD") obtained by Tom Brown.

FACTS

The pertinent facts are as follows:

1. Tom Brown and OXY own the following working interests in Section 15, Township 22 South, Range 27 East, N.M.P.M.:

Quarter Section	Ownership
NW¼	100% Tom Brown, and OXY et al. (all depths)
SW¼	100% Tom Brown (**below base of Wolfcamp formation**)
SE¼	100% Tom Brown (all depths)
NE¼	100% Tom Brown (all depths)

See Exhibit A.

2. On January 21, 2004 Tom Brown applied for and received an APD for its proposed Forni Well No. 2, located 660 feet from the south and west lines of Section 15. The APD dedicates a S½ unit to the well. Tom Brown is moving forward with its plans to drill the

well, and is building location for the well.

3. OXY has proposed its Redemption Well No. 1, at the same location as Tom Brown's well, with a W½ well unit, and has filed a compulsory pooling case for that well unit.

4. OXY has requested that Tom Brown's APD be stayed pending the outcome of the pooling hearing.

ARGUMENT

OXY's argument mis-states certain facts, and misconstrues the pertinent legal authority in an attempt to justify a stay. In summary, (a) Tom Brown has been considering drilling its well, with a S½ well unit, since before OXY proposed its well, (b) Tom Brown has a validly issued APD, and (c) OXY's property rights are unimpaired. These issues, and certain subsidiary issues, are addressed below.

1. Tom Brown's Plans Pre-Date OXY's Proposal: OXY spends considerable time arguing that the APD must be stayed because it mailed a proposal letter (with a W½ unit) to Tom Brown on January 15, 2004, and Tom Brown did not apply for its APD (with a S½ unit) until January 21, 2004. **However**, Tom Brown had been considering a well in the S½ of Section 15 for some time before January 15th. Attached hereto as Exhibit B is a copy of an internal Tom Brown e-mail, **dated January 9, 2004**, stating that Tom Brown is planning to move forward with a well in the S½ of Section 15. The attached drilling schedule, prepared on or before January 9th, clearly shows that the Forni Well No. 2 is scheduled for commencement in early March 2004.

In short, Tom Brown's plans were independent of, and not in reaction to, those of OXY. It has the legal right to drill its well, and should not be prevented from doing so.

2. A Stay Is Contrary To Division Precedent: Commission Order No. R-11700-B, which involved issuance of APD's and the right to drill, states in part:

> ... [W]here compulsory pooling is not required because of voluntary agreement or because of common ownership of the dedicated acreage, the practice of designating the acreage to be dedicated to the well for a permit to drill furthers administrative expedience. Once the application is approved, no further proceedings are necessary. ...

Order No. R-11700-B, Finding Paragraph 35. In this case, Tom Brown owns 100% of the working interest below the base of the Wolfcamp formation in the S½ of Section 15. Therefore, no further proceedings are necessary for Tom Brown to drill.

Moreover, in Case No. 13,153 (Pride Energy Company/Yates Petroleum Corporation) the Division denied a request to stay an APD, **even though the party commencing operations had an improperly obtained APD.**

Based on the foregoing rulings, a stay must be denied in this case.

3. OXY's Property Rights Are Unimpaired: OXY owns a working interest in the NW¼ of Section 15, which it will own whether or not Tom Brown's Forni Well No. 2 is drilled. In fact, Tom Brown has proposed a N½ Morrow test, in which OXY can participate. Therefore, OXY's property rights are unaffected by a S½ unit. In fact, it is Tom Brown's rights which will be adversely affected if a stay is granted.

4. The Wolfcamp Formation Is Immaterial To This Case: OXY also indicates that a S½ Morrow unit is improper since there is an existing E½ Wolfcamp unit. First, Division rules allow different well units to be dedicated in the Morrow and Wolfcamp formations.[1] More importantly, Tom Brown owns no Wolfcamp rights in the SW¼ of Section 15, where the proposed well is located, so there can be no S½ Wolfcamp unit. As a result, any discussion of the Wolfcamp formation has no bearing on the Morrow test.

CONCLUSION

For the reasons stated above, Tom Brown requests that the Division deny OXY's motion for a stay.

Respectfully submitted,

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Tom Brown, Inc.

1 See Division files on §11-21S-27E, where the are standup Morrow well units and a laydown Atoka well unit.

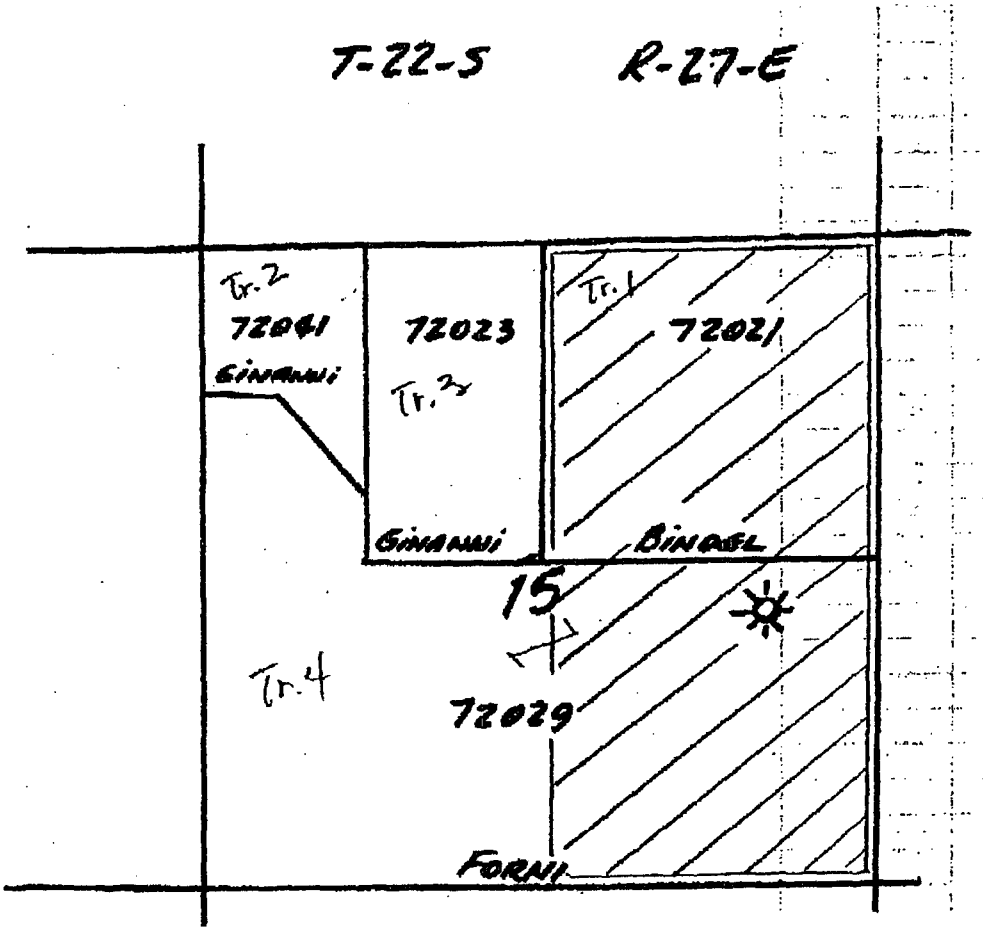
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 27th day of February, 2004:

Hand Delivered
William F. Carr
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504.
(505) 983-6043

Hand Delivered
Gail MacQuesten
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

James Bruce



FORNI #1 WOLFCAMP UNIT

TR.1 : NE/4 SEC. 15 (160 ac.) - TBI 100% ALL DEPTHS

TR.2 : NW/4 NW/4 + 5.5 ac. (45.5 ac.) - Oxy, et al 100%

TR.3 : E/2 NW/4 (80 ac.) - Oxy, et al 100%

TR.4 : SW/4 & SW/4 NW/4 less 5.5 ac & SE/4 (354.5 ac.):

SW/4 & SW/4 NW/4 less 5.5 ac.:

SURF. TO 10,710' - NEARBURG, et al 100%

BELOW 10,710 - TBI 100%

SE/4 : TBI - 100%

EXHIBIT A

Brent Robertson

From: Dave Thomas
Sent: Friday, January 09, 2004 1:18 PM
To: Brent Robertson; Pete Scherer; Cliff Drescher; Hal Lee; Aaron Close; Russ Mathis
Subject: RE: Devon Energy Counter Offer

Sounds as if we need to watch them down and be prepared to build location if they have positive results.

David M. Thomas III
Exploration Manager, Southern Region
Tom Brown, Inc.
(432) 688-9452

——Original Message——
From: Brent Robertson
Sent: Friday, January 09, 2004 11:23 AM
To: Pete Scherer; Dave Thomas; Cliff Drescher; Hal Lee; Aaron Close; Russ Mathis
Subject: Devon Energy Counter Offer

Please be advised that I have talked to Ken Gray with Devon regarding our proposal to structure a deal involving the Grandi Working Interest Unit (S/2 Sec. 15 and N/2 Sec. 22, T22S-R27E).
Ken advised that they would agree to a show and tell if we agree as follows:

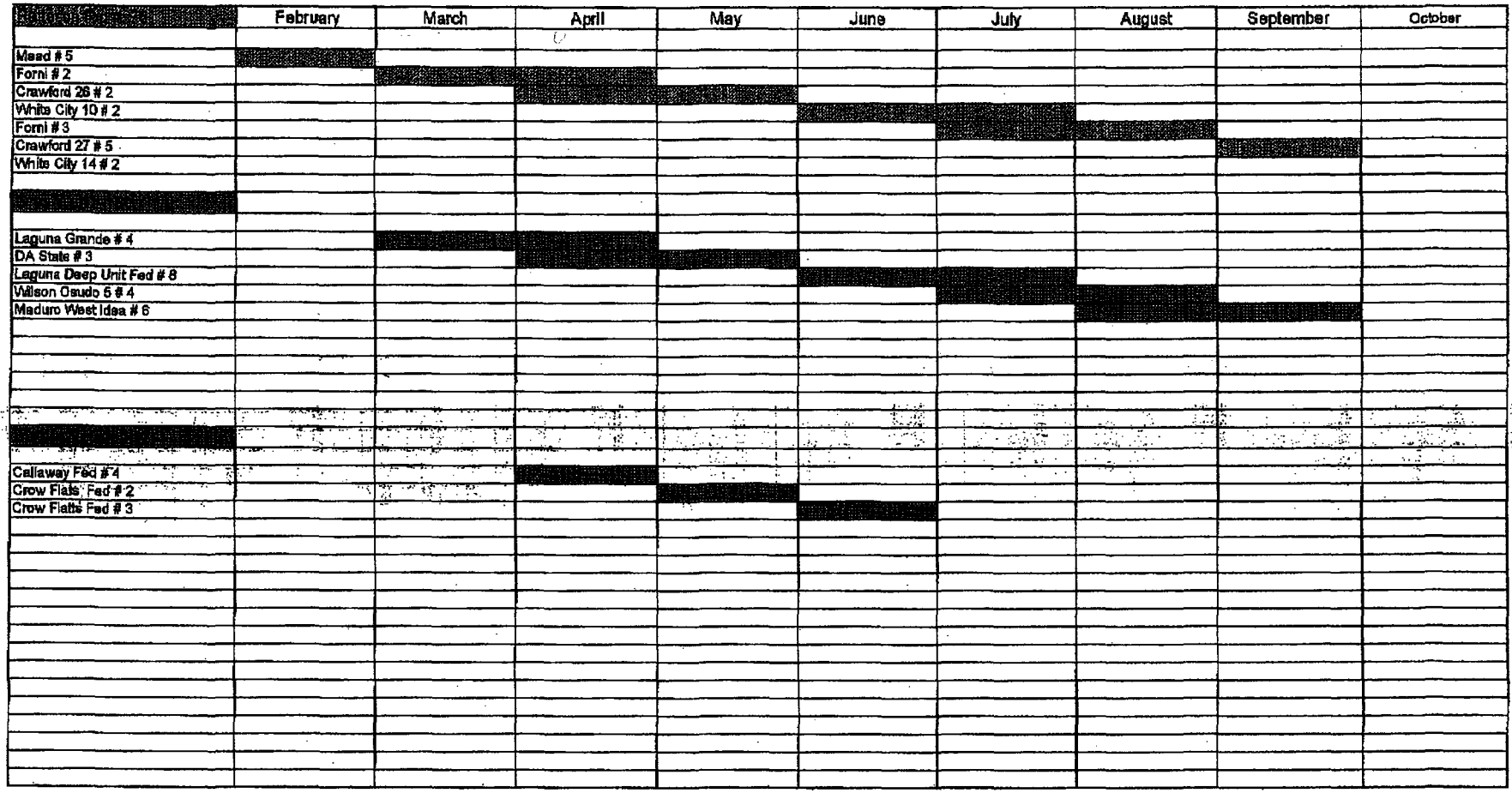
1. To either participate in the WI Unit or farmout to the Working Interest Unit. What this means is if we elect to farmout to the Working Interest Unit, we would commit our acreage to the WI Unit and then farmout our 50% WI across the entire unit;
2. If we elect to participate, Devon would drill and operate the initial well which will be drilled on their lease;
3. TBI would drill and operate the subsequent well on our lease;
4. The Buffalo Valley acreage we are interested in farming in from Devon will not be included in the deal.

Devon has started building the location for the well to be drilled on their lease in Section 22 and the rig will be moving in to spud the well asap.
I indicated that we would likely not do this deal, but would pass it on to all involved and get back to them with a final decision.
Comments?

Brent Robertson
Tom Brown, Inc.
P.O. Box 2608
Midland, TX 79702
Phone: 432-688-9640
Fax: 432-688-9750

003
4326825034
02/27/04 10:57

Morrow Drilling Schedule



XI. BOP Testing
   A. BOP, Choke Line and Kill Line will be tested as specified by operator

XII. Audio System
   A. Radio communications shall be available at the rig.
   B. Radio communications shall be available at the rig floor or trailer.
   C. Radio communications shall be available on vehicles.

XIII. Special control equipment
   A. Hydraulic BOP equipment with remote control on ground.
   B. Rotating head at surface casing point.

XIV. Evacuation Plan
   A. Evacuation routes should be established prior to spudding each well.
   B. Should be discussed with all rig personnel.

XV. Designated Areas
   A. Parking and visitor area.
      1. All vehicles are to be parked at a pre-determined safe distance from the wellhead.
      2. Designated smoking area.
   B. Safe Briefing Area
      1. Two Safe Briefing Areas shall be designated on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds or they are at a 180 degree angle if wind directions tend to shift in the area.
      2. Personal protective equipment should be stored in both protection centers or if a moveable trailer is used, it should be kept upwind of existing winds. When wind is from the prevailing direction, both protection centers should be accessible.

- *Additional equipment will be available at Callaway Safety Equipment Co., Inc., 3229 N. Industrial, Hobbs, New Mexico (505) 392-2973
- Additional personal Hydrogen Sulfide monitors on location for all hands.
- Automatic Flare igniter installed on rig.

VI. CHECK LIST SECTION

Status Check List

NOTE: Date each item as they are implemented.

1.	Sign at location entrance	_____
2.	Two (2) windsocks (in required locations)	_____
3.	Wind streamers (if required)	_____
4.	30 minute pressure demand air packs on location for all rig personnel and mud loggers.	_____
5.	Air packs, inspected and ready for use.	_____
6.	Spare bottles for each air pack (if required)	_____
7.	Cascade system and hose line hook up	_____
8.	Cascade system for refilling air bottles	_____
9.	Choke manifold hooked up and tested (Before drilling out surface casing)	_____
10.	Remote Hydraulic BOP control (hooked up and tested before drilling out surface casing)	_____
11.	BOP Preventer tested (before drilling out surface casing)	_____
12.	Mud engineer on location with equipment to test mud for Hydrogen Sulfide	_____
13.	Safe Briefing Areas set up	_____
14.	Condition sign and flags on location and ready	_____
15.	Hydrogen Sulfide detection system hooked up	_____
16.	Hydrogen Sulfide alarm system hooked up	_____
17.	Stretcher on location at Safe Briefing Area	_____
18.	1 - 100' length of 5/8" nylon rope on location	_____
19.	1 - 20 # or 30 # ABC fire extinguisher in safety trailer in addition to those on rig	_____
20.	Combustible gas detector on location and tested	_____

21. All rig crews and supervisors trained (as required) _____

22. Access restricted for unauthorized personnel _____

23. Drills on H2S and well control procedures _____

24. All outside service contractors advised of potential Hydrogen Sulfide on well _____

25. **NO SMOKING** sign posted _____

26. Hand operated H2S detector with tubes on location _____

27. 25 mm flare gun with flares _____

28. Automatic Flare igniter installed on rig _____

Procedural Check List

Perform the following on each tour:

1. Check fire extinguishers to see that they have the proper charge.
2. Check breathing equipment to insure that it has not been tampered with.
3. Check pressure on supply air bottles to see that they are capable of recharging.
4. Make sure all of the Hydrogen Sulfide detection systems are operative.

Perform the following each week:

1. Check each piece of breathing equipment to make sure that the demand regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you get air.
2. Blowout preventer skills.
3. Check supply pressure on BOP accumulator stand-by source.
4. Check all work/escape units for operation: demand regulator, escape bottle air volumes, and supply bottle air volume.
5. Check breathing equipment mask assembly to see that straps are loosened and turned back.
6. Check pressure on breathing equipment air bottles to make sure they are charged to full volume.
7. Check breathing equipment air bottles to make sure all demand regulators are working. This requires that the bottles be opened and the mask assembly be put on tight enough so that when you inhale, you get air.
8. Confirm pressure on all supply air bottles.
9. Perform breathing equipment drills with on-site personnel.

Check the following supplies for availability:

a. Stretcher
b. Safety belts and ropes
c. Emergency telephone lists
d. Spare air bottle
e. Spare oxygen bottles (if resuscitator required)
f. Hand operated H2S detectors and tubes

10. Test the Explosimeter to verify batteries are good.

VII. BRIEFING PROCEDURE SECTION

Briefing Procedures

The following scheduled briefings will be held to insure the effective drilling and operation of this project:

Pre-Spud Meeting

Date: Prior to spudding the well

Attendance:
Drilling Supervisor
Drilling Engineer
Drilling Foreman
Rig Pushers
Rig Driller
Mud Engineer
All Safety Personnel
Service Companies

Purpose: Review and discuss the well program, step by step, to insure complete understanding of assignments and responsibilities.

VIII. EVACUATION PLAN SECTION

General Plan

The direct lines of action prepared by CALLAWAY SAFETY EQUIPMENT CO., INC. to protect the public from hazardous gas situations are as follows:

1. When the company approved supervisor (Drilling Foreman, Tool Pusher, Driller) determine Hydrogen Sulfide gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan. Escape routes are noted on the Area map.
2. Company safety personnel or designee will notify the appropriate local government agency that a hazardous condition exists and evacuation needs to be implemented.
3. Company approved safety personnel that have been trained in the use of Hydrogen Sulfide detection equipment and self-contained breathing equipment will be utilized.
4. Law Enforcement personnel (State Police, Sheriff's Department, local Police Department and local Fire Department) will be called to aid in setting up and maintaining roadblocks. Also, they will aid in evacuation of the public if necessary.

NOTE: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

5. After the discharge of gas has been controlled, "Company" safety personnel will determine when the area is safe for re-entry.

See Emergency Reaction Plan

EMERGENCY ASSISTANCE TELEPHONE LIST

PUBLIC SAFETY

Carlsbad P.D.	(505) 885-2111 or 911
Eddy County Sheriff's Department	(505) 887-7551 or 911
New Mexico State Police	(505) 885-3137 or 911
Carlsbad Fire Department	(505) 885-3125 or 911
New Mexico OCD (Tim Gum)	(505) 748-1283
New Mexico D.O.T.	(505) 827-5100
U.S. Dept. of Labor	(505) 248-5302

TOM BROWN INC.

Hal Lee	Drilling Manager	(432) 688-9345 (office) (432) 664-9040 (mobile) (432) 685-6073 (home)
Brian Franks	Drilling Engineer	(432) 688-9598 (office) (432) 664-9134 (mobile) (432) 683-6397 (home)

COMPANY MAN

J.C. Wilson	(432) 238-7760 (mobile)

PATTERSON DRILLING RIG #46

David Hines	Tool Pusher	(505) 631-2375
Rig Phone		(432) 664-9227

SAFETY CONTRACTOR

Callaway Safety Equipment	(505) 392-2973 (Hobbs) (432) 561-5049 (Odessa)

Affected Public Notification List
(within a 65' radius of exposure @ 100 ppm)

The geologic zones that will be encountered during drilling are known to contain hazardous quantities of H2S. The accompanying map illustrates the affected areas of the community. The residents within this radius will be notified via a hand delivered written notice describing the activities, potential hazards, and conditions of evacuation, evacuation drill siren alarms and other precautionary measures.

Evacuee Description:	Residents
Notification Process:	A continuous siren audible to all residents will be activated; signaling evacuation of previously notified and informed residents.
Evacuation Plan:	All evacuees will migrate lateral to the wind direction.

The Oil Company will identify all homebound or highly susceptible individuals and make special evacuation preparations, interfacing with the local fire and emergency medical services as necessary.

IX. MAPS AND PLATS SECTION

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name

Property Code	Property Name	Well Number
	FORNI	2
OGRID No.	Operator Name	Elevation
	TOM BROWN, INC.	3107'

Surface Location

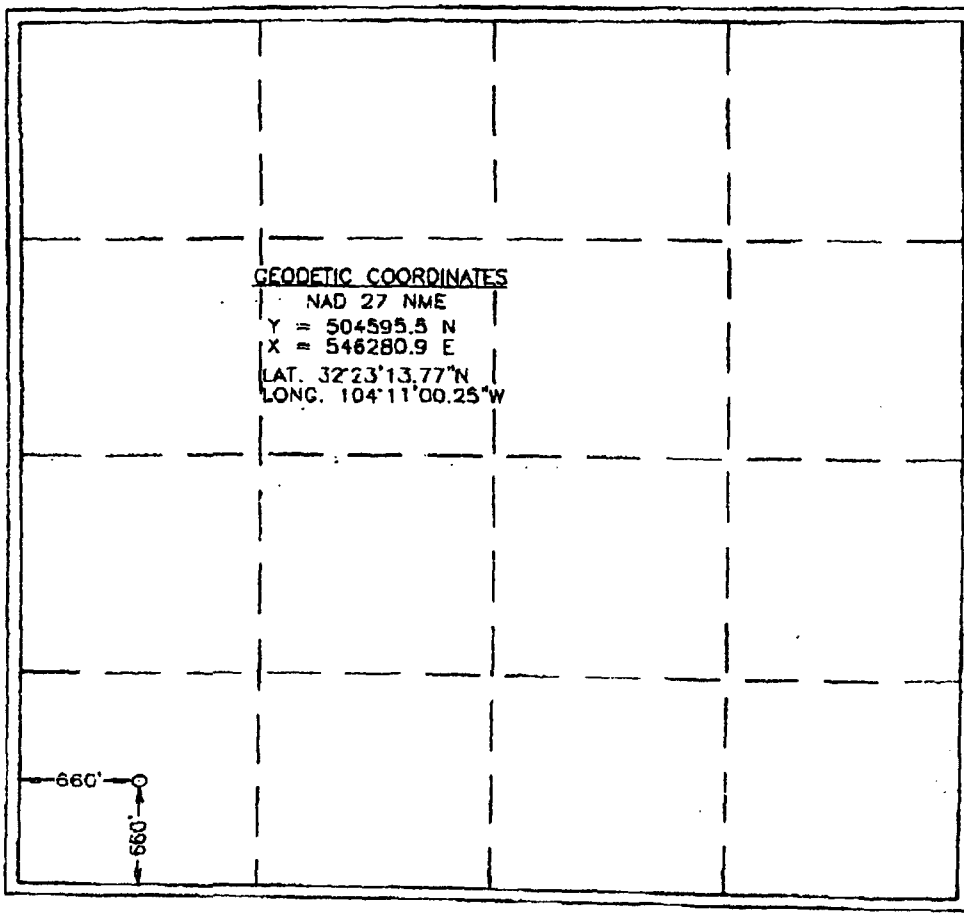
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	22-S	27-E		660	SOUTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature

Printed Name

Title

Date

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.

January 21, 2004

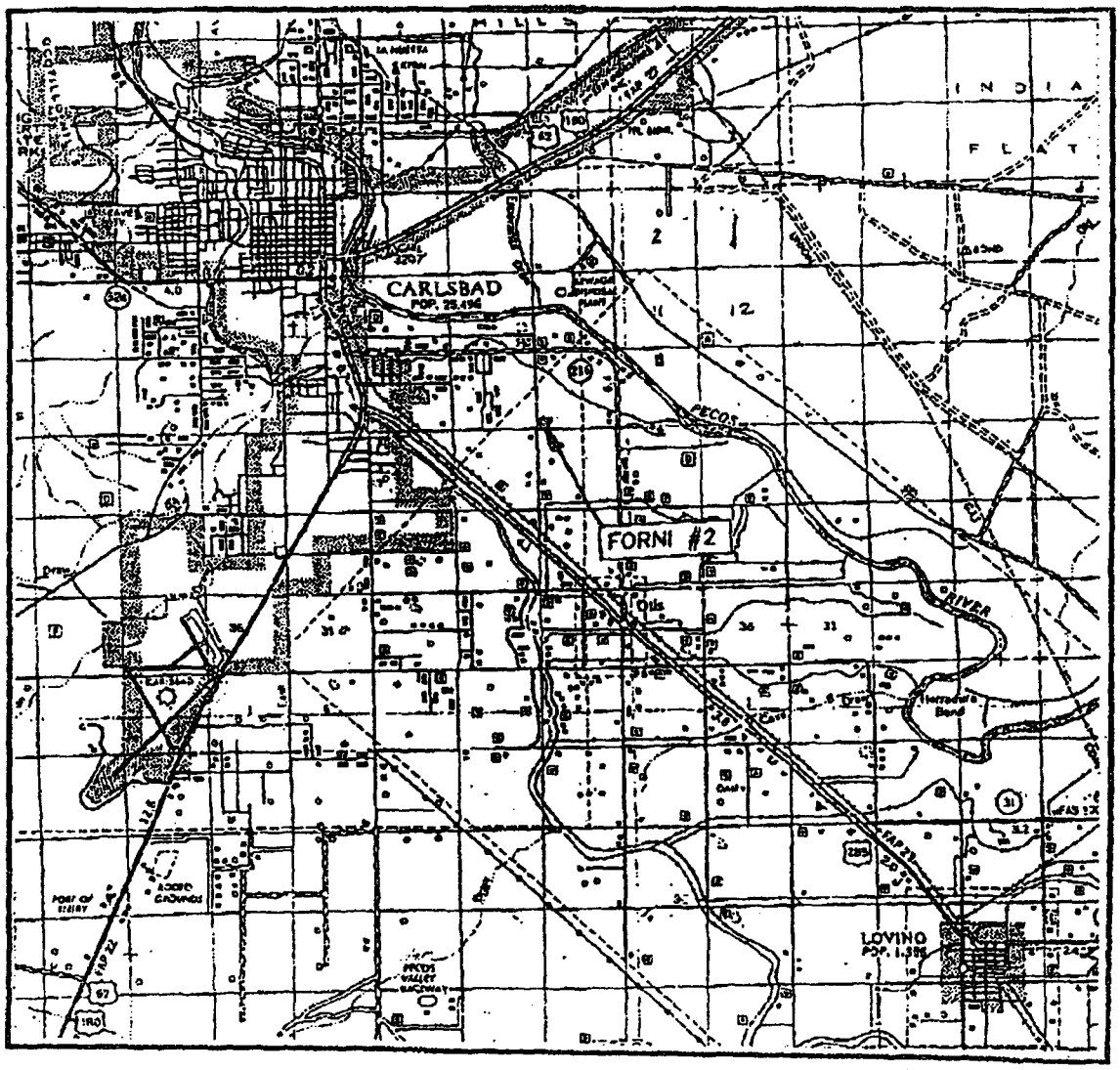
Date Surveyed AWB

Signature & Seal of Professional Surveyor

GARY L. EIDSON
NEW MEXICO
12641
04.13.0980

Certificate No. GARY EIDSON 12641

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 15 TWP. 22-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FSL & 660' FWL

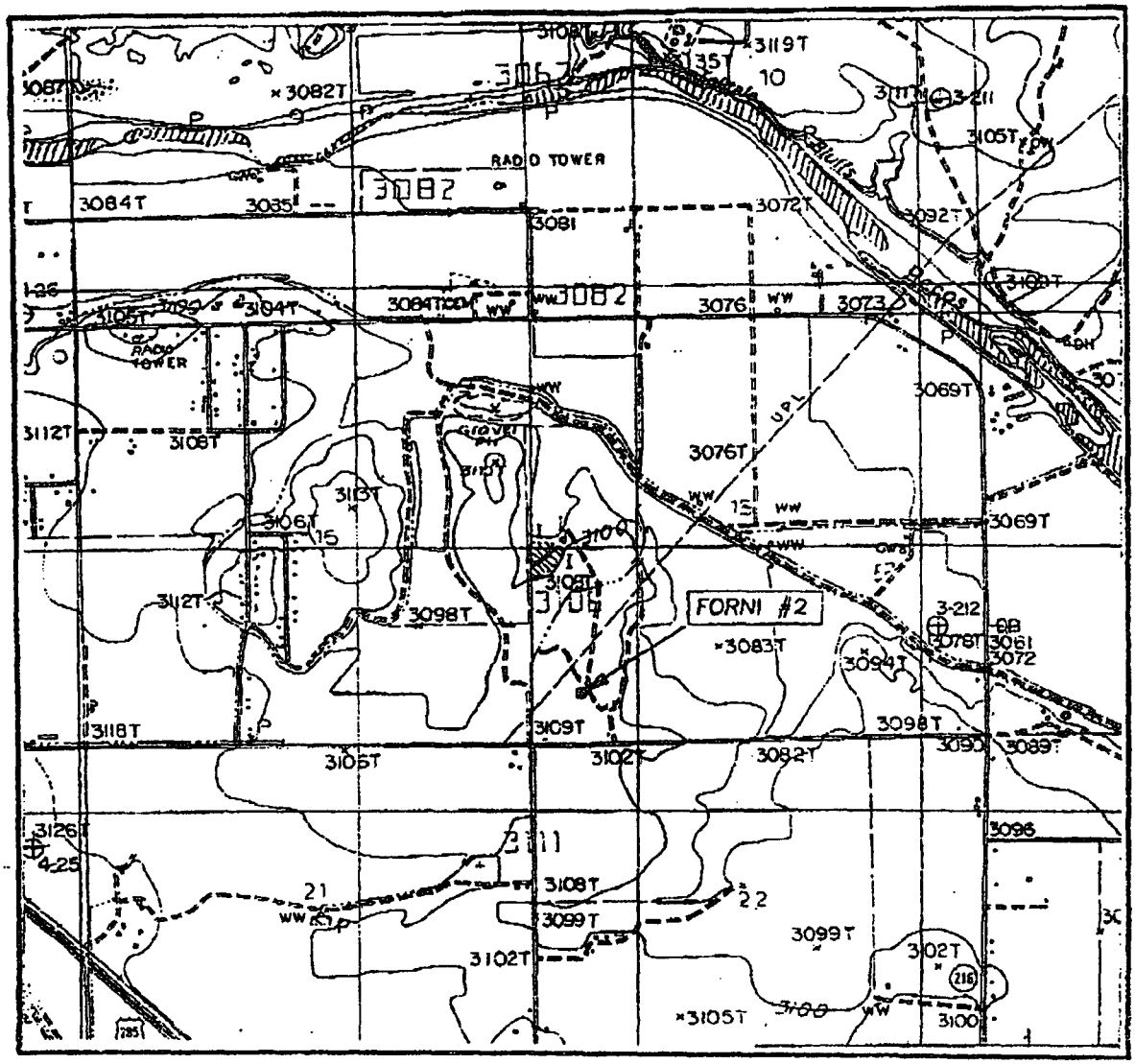
ELEVATION 3107'

OPERATOR TOM BROWN, INC.

LEASE FORNI

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

CARLSBAD EAST, N.M.

SEC. 15 TWP. 22-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FSL & 660' FWL

ELEVATION 3107'

OPERATOR TOM BROWN, INC.

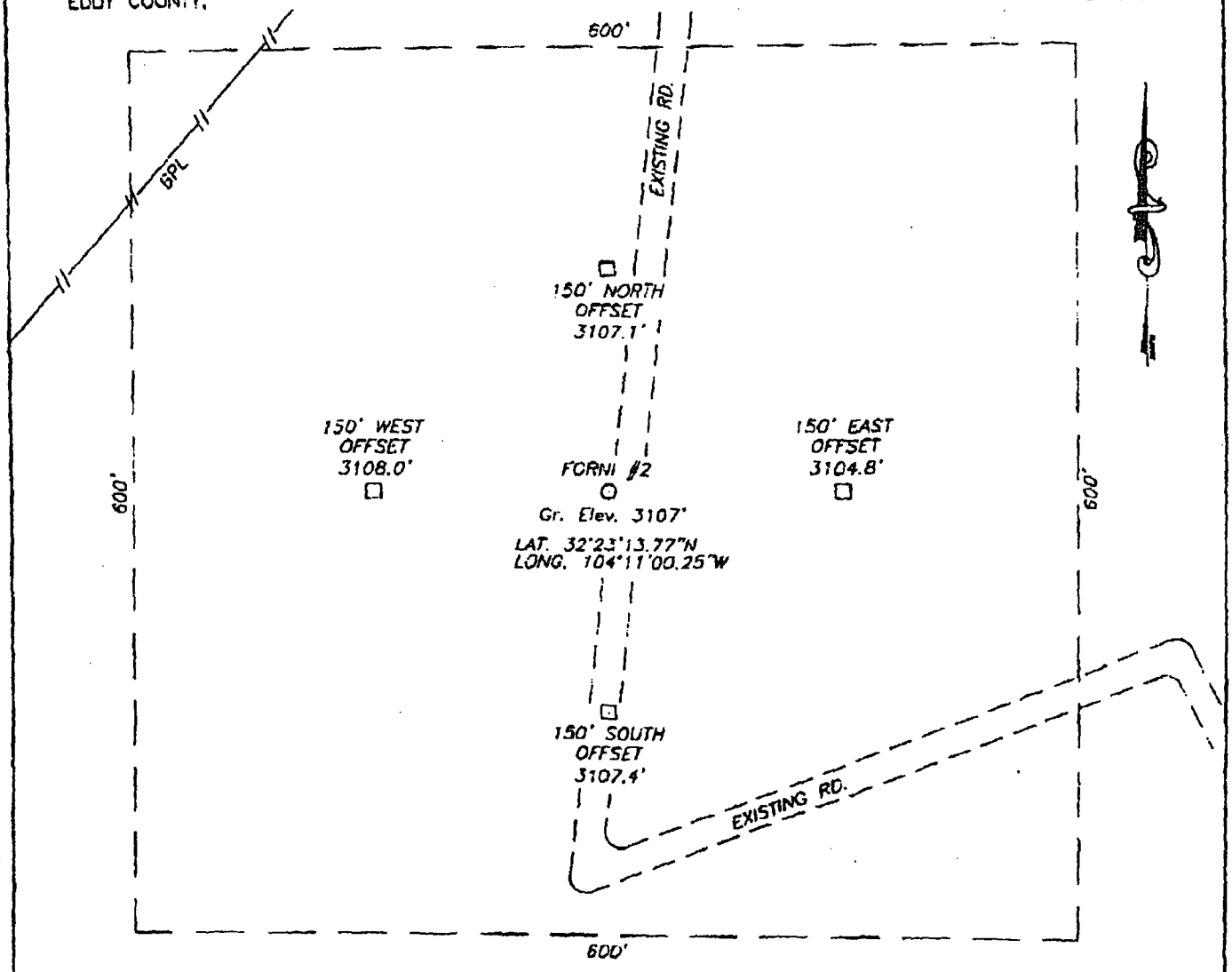
LEASE FORNI

U.S.G.S. TOPOGRAPHIC MAP
CARLSBAD EAST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

SECTION 15, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF COUNTY ROAD #700 (CALVANI RD.) AND U.S. HWY 285. GO EAST ON CO. RD. #700 1.7 MILES TO RANCH ROAD. TURN LEFT AND GO 0.1 MILES NORTH TO A "Y" IN THE ROAD. TAKE A LEFT AND FOLLOW ROAD APPROX. 400'. LOCATION IS ON WEST EDGE OF ROAD.

100 0 100 200 FEET

Scale:1"=100'

TOM BROWN, INC.

THE FORNI #2 WELL LOCATED
660' FROM THE SOUTH LINE AND 660'
FROM THE WEST LINE OF SECTION 15,
TOWNSHIP 22 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 01/21/04		Sheet 1 of 1 Sheets	
W.O. Number: 04.13.0083		DRAWN BY: A.W.B	
Date:01/21/04	DISK: CD#10	TOMBRO#.0083	Scale:1"=100'

JOHN WEST SURVEYING COMPANY
412 N. DAL PASO – HOBBS, NEW MEXICO – 505-393-3117

X. GENERAL INFORMATION SECTION

There is a County Road **(Calvani Rd.)** and one residence located within the perspective ROE of the Forni #2. **Sheryl Traylor (505) 236-6258 and her Son occupy the residence.** There are no small children or handicapped persons in the residence that would require assistance in case of an H2S release.

Callaway Safety will be contacting **Ms. Traylor**, prior to spudding the well, at which time she will receive H2S training and evacuation procedures in case of an H2S release.

Toxic Effects of Hydrogen Sulfide Poisoning

Hydrogen Sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 20 ppm, which is .002% by volume. Hydrogen Sulfide is heavier than air (specific gravity - 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen Sulfide is almost as toxic as Hydrogen Cyanide and is between five and six times more toxic than Carbon Monoxide. Toxicity data for Hydrogen Sulfide and various other gases are compared below in Table I. Physical effects at various Hydrogen Sulfide levels are shown in Table II.

Table I
Toxicity of Various Gases

Common Name	Chemical Formula	Specific Gravity	Threshold Limit (A)	Hazardous Limit (B)	Lethal Concentration (C)
Hydrogen Cyanide	HCN	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm (D) 20 ppm (E)	250 ppm/hr	600 ppm
Sulfur Dioxide	SO2	2.21	5 ppm		1000 ppm
Chlorine	CL2	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	CO	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	CO2	1.52	5000 ppm	(5 %)	(10 %)
Methane	CH4	0.55	90,000 ppm	(9 %)	Combustible Above 5% in air

A. **Threshold Limit** - Concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.
B. **Hazardous Limit** - Concentration that may cause death.
C. **Lethal Concentration** - Concentration that will cause death with short-term exposure.
D. **Threshold Limit (10 ppm)** - 1972 ACGIH (American Conference of Governmental Industrial Hygienists).
E. **Threshold Limit (20 ppm)** - 1966 ANSI acceptable ceiling concentration for eight-hour exposure (based on 40 hour week) is 20 ppm. OSHA Rules and Regulations (Federal Register, Volume 37, No. 202, Part II, dated 10/18/72)

Table II
Physical Effects of Hydrogen Sulfide

Percent (%)	ppm	Physical Effects
0.001	10	Obvious and unpleasant odor
0.002	20	Safe for 8 hrs. exposure
0.01	100	Kills smell in 3-5 minutes; may sting eyes & throat
0.02	200	Kills smell shortly; stings eyes and throat
0.03	300	IDLH (Immediate Danger to Life and Health) Level
0.05	500	Dizziness; breathing ceases in a few minutes
0.07	700	Unconscious quickly; death will result if not rescued
0.10	1000	Unconscious at once; followed by death within minutes

* **CAUTION: Hydrogen Sulfide is a colorless and transparent gas and is highly flammable. It is heavier than air and may accumulate in low places.**

Use of Self-Contained Breathing Apparatus
(SCBA)

I. Written procedures shall be prepared covering safe use of respirators in dangerous atmospheric situations, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available respirators.

II. Respirators shall be inspected frequently, at random, to insure that they are properly used, cleaned and maintained.

III. Anyone who may use respirators shall be trained in how to properly seal the face piece. They shall wear respirators in normal air and then in a test atmosphere. **(NOTE: Such items as facial hair (beard or sideburns) and eyeglass temple pieces will not allow a proper seal).** Anyone that may be expected to wear respirators should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses. Contact lenses should not be allowed.

IV. Maintenance and care of Respirators

A. A program of maintenance and care of respirators shall include the following:

1. Inspection for defects, including leak checks.
2. Cleaning and disinfecting.
3. Repair
4. Storage

B. Inspection: Self Contained Breathing Apparatus (SCBA) for emergency use shall be inspected monthly and records maintained for the following:
1. Fully charged cylinders.
2. Regulator and warning device operation.
3. Condition of face piece and connection.
4. Elastomer or rubber parts shall be stretched or massaged to keep them pliable and prevent deterioration.

C. Routinely used respirators shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.

V. Persons assigned tasks that require the use of Self Contained Breathing Equipment shall be certified physically fit for breathing equipment usage by the local company physician at least annually.

VI. Respirators should be worn during the following conditions:

A. Any employee who works near the top or on the top of any tank unless tests reveal less than 20 ppm of H2S.

B. When breaking out any line where H2S can reasonably be expected.

C. When sampling air in areas to determine if toxic concentrations of H2S exist.

D. When working in areas where over 20 ppm H2S has been detected.

E. At any time there is a doubt as to the H2S level in the area to be entered.

Rescue-First Aid for Hydrogen Sulfide Poisoning

DO NOT PANIC !!!!

Remain Calm -- THINK

1. Hold your breath (Do not inhale; stop breathing) and go to Briefing Area.

2. Put on breathing apparatus.

3. Remove victim(s) to fresh air as quickly as possible. (Go upwind from the source or at right angles to the wind; **NOT** downwind).

4. Briefly apply chest pressure-arm lift method of artificial respiration to clear the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.

5. Provide for prompt transportation to the hospital and continue giving artificial respiration if needed.

6. Hospital(s) or medical facilities need to be informed, beforehand, of the possibility of H2S gas poisoning, no matter how remote the possibility.

7. Notify emergency room personnel that the victim(s) have been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration, as well as first aid for eyes and skin contact with liquid H2S. Everyone needs to master these necessary skills.

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 30-015-33250

Property Code	Property Name	Well No.
32895	Forni	003

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	15	22S	27E	E	1980	N	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	3090
Multiple	**Proposed Depth**	**Formation**	**Contractor**	**Spud Date**
N	12000	Morrow		07/01/2004

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

Casing/Cement Program: Additional Comments

Surface casing will be set below the Rustler to protect FW zone. Cement will be brought to surface. The intermediate casing is designed to be set below the porosity in the Delaware sands. Cement is to be tied back into the surface casing. The productive casing will be run to TD. The cement is tentatively designed to be brought back into the intermediate casing with a stage collar to be run approximately 8000 depending on loss circulation.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	Spherical
Double Ram	5000	5000	GK

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	
Title:	
Date: 02/06/2004	Phone: 432-688-9598

OIL CONSERVATION DIVISION	
Electronically Approved By: Bryan Arrant	
Title: Geologist	
Approval Date: 02/19/2004	Expiration Date: 02/19/2005
Conditions of Approval: There are conditions. See Attached.	