

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		RECEIVED JAN 16 2004 OCD-ARTESIA	5. Lease Serial No. NM0474
2. Name of Operator H.L. Brown Operating, L.L.C.			6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 2237, Midland, TX 79702	3b. Phone No. (include area code) 432/683-5216		7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1310 ft, FNL & 1330 ft. FEL Sec. 27, T-8-S, R-37-E			8. Well Name and No. Federal "B" No.2
			9. API Well No. 30-041-20904
			10. Field and Pool, or Exploratory Area Bluitt Wolfcamp (Gas)
			11. County or Parish, State Roosevelt, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other request waiver
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Permit to Drill

Exhibit "B"

Well Drilling Requirements


III: Drilling Operations Requirements

D. Drilling Mud

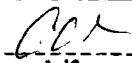
H.L. Brown Operating, L.L.C. requests a waiver of the requirement of installing monitoring equipment for the mud system for the drilling operations for the Federal "B" No.2.

H.L. Brown, Jr., predecessor to H.L. Brown Operating, L.L.C., has drilled 14 wells in the Bluitt Wolfcamp (Gas) Field, including the 4 direct offset wells to the Federal "B" No.2. None of these wells encountered abnormal pressures nor loss of circulation.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Jerry M. Jordan	Title Operations Manager
Signature 	Date 1/07/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title PE	Date 1/14/04
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office RFO		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)