

**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:

**RECEIVED**  
SEP 15 1995  
Oil Conservation Division

CASE NO. 11382

APPLICATION OF H.L. BROWN, JR.  
FOR APPROVAL OF AN EXPLORATORY UNIT,  
EDDY 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.  
Box 2237  
Midland, Texas 79702-2237  
Attn: C. Peter Courtney  
(915) 683-5216

**ATTORNEY**

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

## **STATEMENT OF CASE**

### **APPLICANT**

H. L. Brown, Jr. is an oil and gas operator doing business in the State of New Mexico and is the lessee and the only working interest owner of the fee, federal and state oil and gas leases underlying all of Sections 27,28,33 and 34, Township 24 South, Range 23 East, Eddy County, New Mexico.

H. L. Brown, Jr. is applying for an order approving voluntary exploratory for an area comprising 2560.00 acres underlying all of the above mentioned location. H. L. Brown, Jr. is the proposed operator of the voluntary exploratory unit to be called the "North Carlsbad Unit".

H. L. Brown, Jr. proposes to drill the initial unit well at a standard well location in Unit K of Section 28 to a depth sufficient to test the Devonian Formation or 7500 feet which ever is the lesser depth.

Approval of this unit will provide for the unified development and operation of a entire potential geologic prospect and will afford the most efficient and economical means for the exploration, drilling and production.

Applicant has filed to obtain preliminary approval from both the Commissioner of Public Lands of New Mexico and from the Bureau of Land Management and anticipates having both agency approvals prior to hearing.

The methods of operation embodied in the Unit Operation Agreement will benefit the working interest owners and royalty owners of the oil and gas rights within the Unit Area.

H. L. Brown, Jr. as the only working interest owner in the unit has sufficient percentage of the interest owners so that the unit operations will be orderly and efficient and therefore will avoid waste and protect correlative rights.

**PROPOSED EVIDENCE**

**APPLICANT**

<b>WITNESSES</b>	<b>EST. TIME</b>	<b>EXHIBITS</b>
Jim Hughes (geologist)	20-Min.	est. 4
C. Peter Courtney (Landman)	15-Min.	est. 8

**PROCEDURAL MATTERS**

None at this time

**KELLAHIN AND KELLAHIN**

By: 

W. Thomas Kellahin

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