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Form 3160-5
(September 2001)

APR 08 2004

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM 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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

H.L. Brown Operating, L.L.C.

OGRID# 213179

3a. Address

P.O. Box 2237, Midland, TX 79702

3b. Phone No. (include area code)

(432) 688-3726

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1310 ft. FNL & 1330 ft. FEL

Sec. 4, T-8-S, R-37-E

5. Lease Serial No.

NM0474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

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 type="checkbox"/> Notice of Intent | <input checked="" type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input checked="" type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" 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 type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Initial Completion |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation

02/09/04 MI & RU foam unit. NU BOP & HydriL. PU 260 jts 2-3/8" tubing, ran in hole and tagged cement at 7794'.

02/10/04 RU foam unit. Drilled cement and wiper plug to 7960' and float collar at 7964'. Drilled cement in shoe joint down to 8002'. Circ. hole clean and POOH. RU Gray Wireline and logged GR/ CNL/ CCL from TD to 3700'.

02/11/04 PU 4-3/4" bit and drill collars and RIH. Drilled 4' cement and float shoe at 8006'. Drilled 19' of new Wolfcamp formation. Circulated hole clean and POOH with 64 jts tubing. SI & SD due to weather.

02/16/04 Opened well and bled down. POOH with tubing and LD drill collars. PU and RIH with 5-1/2" x 2-3/8" Arrowset 1 packer and tubing. Set packer at 7905' with the end of tubing at 7941'. ND BOP and flanged up wellhead.

02/19/04 Ran bottom-hole pressure bombs to the SN. Finished hooking up production equipment.

02/26/04 Retrieved bombs and ran static gradients. Put well on sales at the rate of 155 mcfpd at 576 psi FTP.

03/05/04 MIRU Gray Wireline. Perforated the Wolfcamp in two runs from 7990' to 8005' at 4 SPF.

03/12/04 RU BJ Services. Acidized perms and open hole with 50Q N₂ foamed 15% NEFE acid. Pumped a total of 4500 gallons cross-linked acid and 3300 gallons gelled acid with 36 tons CO₂ in 4 stages. Flowed back to pit.

03/23/04 After recovering load, flowing at 600 MCFPD, 1 BOPD, 2 BWPD. FTP = 110 psi on a 32/64" choke.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Robert T. McNaughton

Title Petroleum Engineer

Signature

Date

3-26-04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

ACCEPTED FOR RECORD

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)

GWW

ARMANDO A. LOPEZ
PETROLEUM ENGINEER