

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District 1
1625 N. French Drive
Hobbs, NM 88240

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

Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM #54450
Name of Operator H.L. Brown Operating L.L.C.		6. If Indian, Allottee or Tribe Name
Address 300 W. Louisiana, Midland, Texas 79702		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 432 - 688 - 3726		8. Well Name and No. Federal 28 #3
Location of Well (Footage, Sec., T, R., M., or Survey Description) 2540' FSL & 660' FEL		9. API Well No. 30 - 041 - 20925
Unit I, Sec 28, T-7-S, R-37-E		10. Field and Pool, or Exploratory Area Bluitt N (Siluro-Devonian)
		11. County or Parish, State Roosevelt County, 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 type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input 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	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

1. 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 recomple 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.)

Notice of Spud and Setting Surface Casing.

9-13-06: Notified BLM of spud. PU BHA and spudded 17-1/2" hole at 4:30 PM on 09-12-06. Drilled surface hole to 197.

9-14-06: TD 17-1/2" surface hole at 525' at 1:30 AM on 9-14-06. Circulated hole clean and ran deviation survey. POOH with the bit and collars.

9-15-06: PU and ran 12 joints 13-3/8", 48#, H-40, ST&C casing to 525'. Ran a Texas-pattern guide shoe and insert float at top of shoe jt with 3 centralizers. RU BJ services and pumped 550 sx "C" with 2% CaCl @ 14.8 PPG. Bumped the plug at 11:15 AM and circulated 141 sx to the pit. WOC 8 hours and set the slips. Cut off the casing and welded on the head and spool.

9-16-06: Finished NU and testing the BOP to 2000 psi - OK. PU BHA with bit #2 - 11" Varel. Drilled plug, cement and shoe out in 4-1/2 hours. Resumed drilling new 11" intermediate hole in red beds and sand. Total WOC time = 26.75 hrs.

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

Name (Printed/Typed)

Robert McNaughton

Title Operations Manager/ Petroleum Engineer

Signature

Date

9-28-06

ACCEPTED FOR RECORD - THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(Signature)

DAVID R. GLASS

Name

(Printed/Typed)

Title

Office

Date

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 18 U.S.C. Section 1001 and Title 18 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.

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Notice of Setting Intermediate Casing.

9-21-06: TD 11" intermediate hole at 3810' - 12:15 AM on 09-21-06. Ran Elder fluid caliper at 3756' and measured 122% hole washout. Circulated on bottom and POOH with drill pipe.

9-22-06: LD 8" collars and RU casing crew. Ran 8-5/8", J-55, ST&C casing as follows: Float shoe, one jt 32#, float collar, 51 jts 32#, one 24# crossover jt, 42 jts 24# and two jts 32# at the surface. Ran 5 centralizers and set the casing at 3810'. Circulated on bottom and RU BJ Services. Pumped 1140 sx lead and tailed in with 200 sx. Circulated 67 sx good cement to the pit. Plug down at 7:30 PM CST on 9-21-06. WOC 3.5 hours and jetted the pits. ND the BOP and set the casing slips. Cut off the casing and NU the B-section wellhead and spool.

9-23-06: Finished NU and testing the BOP - OK. Jetted the pits and re-filled them with clean brine. TIH with bit #3 and drilled the plug and cement in 3 hours. Resumed drilling new 7-7/8" hole in dolomite and anhydrite. Total WOC time = 22.75 hrs.

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

Robert McNaughton

Title Operations Manager/ Petroleum Engineer

Signature

Date 9-28-06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by (Signature)

/S/ DAVID R. CLASS

Name
(Printed/Typed)

Title

Office

Date

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