H. L. BROWN, JR. Post Office Box 2237 Midland, Texas 79702-2237

January 15, 1990

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P.O. Box 1980 Hobbs, New Mexico 88240 Hobbs District Office

Attn: Mr. Jerry Sexton

RE: Exception to Shutin for Overproduced Casinghead Gas North Bluitt Siluro Devonian Pool Federal "27" Com Well No. 1 Unit E, Sec. 27, T7S, R37E Roosevelt County, New Mexico

Dear Mr. Sexton:

As of September 17, 1989, H. L. Brown, Jr. has been operating the referenced well to meet our current approved 50% casinghead gas allowable, 310 mcf/day, in an effort to make up the 43,691 mcf imbalance associated with said well. We have made excellent strides and have made up approximately 25,354 mcf through December 31, 1989.

However, due to cold weather we are experiencing operational problems with the Federal "27" as a result of reduced takes. Therefore, in order that we may efficiently operate this well we respectfully request administrative approval to produce this well at its full daily allowable of 620 mcf/day through February, 1990, and allow resumption of the reduced 50% rates effective March 1, 1990 to satisfy the overproduced imbalance.

Should you have any questions, please feel free to call me at (915)683-5216.

Your prompt reply to this request is appreciated.

Sincerely, Timothy 9. Phillips

Manager, Products Marketing