H. L. BROWN, JR. Post Office Box 2237 MIDLAND, TEXAS 79702-2237

September 5, 1989

Mr. Jerry Sexton Supervisor - District 1 Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88240

RE: Federal 27 Com No. 1 Unit E, Sec. 27, T-7S, R-37E Roosevelt County, New Mexico

Dear Mr. Sexton:

H. L. Brown, Jr. completed the Federal 27 Com #1 on 9/27/87 and has been continuously produced at the rate of 53 BO and 725 MCF per day. This has resulted in the overproduction of 31,731 MCF casinghead gas to June 30, 1989. We received a Shut-In Order from the Santa Fe Office of the Oil Conservation Division for this well on August 30, 1989 for the period ending June, 1989. It is our belief that serious damage may result if this well is shut-in for an extended period. Therefore, we respectfully request administrative approval to make-up the overproduction by producing the well at 1/2 allowable.

Your immediate reply to this request is appreciated. Please call if more information is needed.

Sincerely yours,

H. L. BROWN, JR.

Ron Divine Production Engineer

RD:dhc