

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address CONCHO OIL & GAS CORP. 550 W. Texas Ave, Suite 1300 Midland, TX 79701		OGRID Number 193407
		API Number 30-15-33005
Property Code 32917	Property Name Ponderosa 20 State	Well No. 001

Surface Location

UL or Lot J	Section 20	Township 18S	Range 28E	Lot Idn	Feet From 1650	N/S Line S	Feet From 1550	E/W Line E	County Eddy
-----------------------	----------------------	------------------------	---------------------	---------	--------------------------	----------------------	--------------------------	----------------------	-----------------------

Proposed Pools

UNDES ILLINOIS CAMP; MORROW, NORTH

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3578
Multiple N	Proposed Depth 10700	Formation Morrow	Contractor	Spud Date

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	12.25	9.625	40	4500	1000	0
Prod	8.75	5.5	17	10700	800	7000

Casing/Cement Program: Additional Comments

Drill 17 1/2 hole to 400 w/fr. str. Run 13 3/8 csg. NU annular BOP & test to 1250# w/rig pump. Drill 12 1/4 hole to 4500# w/brine wtr. Run 9 5/8 csg. NU annular & Double ram BOP. Test Dbl ram to 3000 and annular to 1500# w/independent tester. Drill 8 3/4 hole to 10,700 w/cut brine, starch & XCD polyene system. Run 5 1/2 csg. to TD
--

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1250	-
Double Ram	3000	3000	-

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Erick Nelson

Title: Sr. Engineer

Date: 9/17/2003

Phone: 432-683-7443

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 9/17/2003 Expiration Date: 9/17/2004

Conditions of Approval:

There are conditions. See Attached.

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102

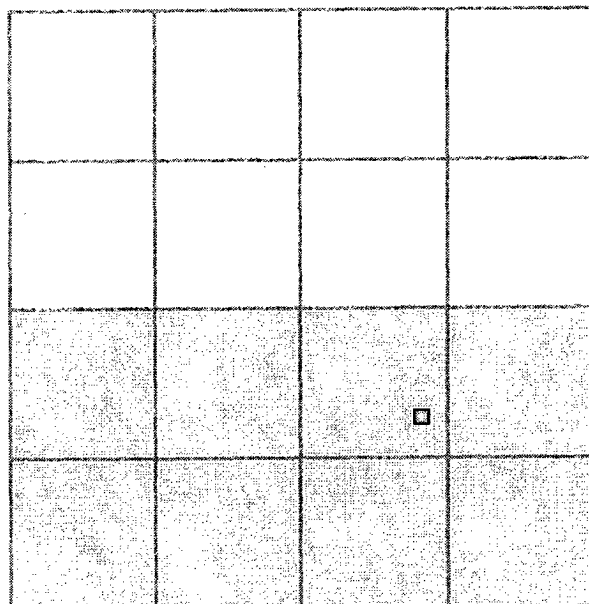
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-15-33005	Pool Name UNDES ILLINOIS CAMP; MORROW, NORTH	Pool Code
Property Code 32917	Property Name Ponderosa 20 State	Well No. 001
OGRID No. 193407	Operator Name CONCHO OIL & GAS CORP.	Elevation 3578

Surface And Bottom Hole Location

UL or Lot J	Section 20	Township 18S	Range 28E	Lot Idn .	Feet From 1650	N/S Line S	Feet From 1550	E/W Line E	County Eddy
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Erick Nelson

Title: Sr. Engineer

Date: 9/17/2003

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Electronically Signed By: Gary L. Jones

Date of Survey: 7/15/2003

Certificate Number: 7977

APD Conditions Of Approval

Operator: 193407 CONCHO OIL & GAS CORP.

Well: Ponderosa 20 State 001

OCD Reviewer	Condition
BARRANT	Cement to cover all oil, gas and water bearing formations