

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

12 December 2003

Concho Exploration Inc. 550 West Texas Ave. Suite 1300 Midland, Texas 79701

Dear Sirs:

A segregation and/or packer leakage test is to be filed with this office annually. Please test the subject well(s) and send the results no later than 31 January, 2004.

Please notify this office 72 hours prior to the test in order that our representative may be present to witness the test.

SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST forms should be submitted in <u>triplicate</u>. Please send the original and two copies of the test chart.

If you no longer operate the well(s) listed, have received a down hole commingle permit, or abandoned one zone please contact me at 505-748-1283.

Well	LOCATIO	<u>N API #</u>
FEDERAL DH GAS COM #001	M-11-18S-27E	30-015-24857
GREENWOOD PRE-GRAYBURG UNIT #001	P-27-18S-31E	30-015-05614
TELEDYNE 18 #001	J-18-23S-29E	30-015-22650

In the event that a satisfactory response is not received to this letter 31 January, 2004 further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely

Van Barton Field Rep. II