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March 3, 2010

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. Mark Fesmire
Director

RE: Concho Oil and Gas Operating's application to inject into the Continental A State Well
Nos. 11 and 12.

Gentlemen:

BP America Production Company was notified on February 8, 2010 that Concho Oil and Gas Operating LLC intends to convert two wells into Yeso Pool injectors, the Continental A State #11 (API# 30-015-34742) and Continental A State #12 (API# 30-015-35052). After reviewing Concho's injection application, BP identified a well in the Empire Abo Unit where a top of cement above the proposed injection interval could not be confirmed: EAU 47 (API# 30-015-03193).

BP is concerned with potential damage to the EAU 47 well, but also recognizes that the distance between the proposed injector and producer is 1988'. Therefore, in order to mitigate any damage to the EAU 47 while not hindering COG's effort to test waterflood feasibility on their lease, we request that COG maintain production and carefully monitor waterflood response in its Yeso producer, the Navaho Federal #4, which offsets the EAU 47 by 70 ft to the east. If waterflood response in the Navaho Federal #4 occurs, BP requests that continued injection be contingent on verifying the top of cement in EAU 47 and remediating the well if required. Your favorable consideration in this matter is respectfully requested. If you have any questions or need any additional information, please contact Mr. John Johanning at 281-366-3954.

Very truly yours,

in AOR of #11

Scott Wilkins
Permian Resource Manager

CC: Kanicia Carrillo, COG Operating LLC