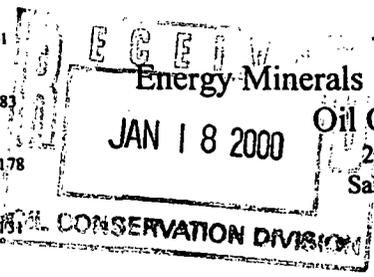


District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131



New Mexico

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-142
Date 06/99

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Concho Resources Inc. 110 W. Louisiana Ste 410 Midland, Tx 79701						OGRID Number 166111		
Contact Party Terri Stathem						Phone (915) 683-7443		
Property Name Carbon Valley Deep 23 Federal					Well Number 1	API Number 30015-30714		
UL H	Section 23	Township 16S	Range 27E	Feet From The 1990	North/South Line North	Feet From The 660	East/West Line East	County Eddy

II. Date/Time Information

Spud Date 8/18/99	Spud Time 2:30 PM	Date Completed 12/16/99	Pool Crow Flats Morrow; Undes.
----------------------	----------------------	----------------------------	-----------------------------------

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of Texas)
County of Midland) ss.

Joe Wright, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Engineer Date 1/4/2000

SUBSCRIBED AND SWORN TO before me this 4th day of January, 2000.



LETA H. COLLINS
NOTARY PUBLIC
STATE OF TEXAS

[Signature]
Notary Public

FOR OIL CONSERVATION DIVISION USE ONLY

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spee</u>	Date <u>FEB 14 2000</u>
---------------------------------	---------------------------	----------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/14/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM 93469
2. Name of Operator CONCHO RESOURCES INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 110 W LOUISIANA STE 410; MIDLAND TX 79701	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1990' FNL & 660' FEL, Sec. 23, T-16S, R-27E	8. Well Name and No. Carbon Valley Deep 23 Federal #1
	9. API Well No. 30015-30714
	10. Field and Pool, or Exploratory Area Wildcat
	11. County or Parish, State Eddy, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Spud & Set Surf Csg</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

8-18-99 Spud 11" hole @ 2:30 PM MDT.
8-21-99 RIH & set 8-5/8", 32# surface csg @ 1417'. Cmt w/ 550 sx lead w/ 35/65 POZ 'C' w/ 6% D-44, 6% D-20 & 1/4 # sx D-29 followed by 200 sx 15/85 POZ 'C' w/ 2% D-20 1/4# sx D-29 & 2% CaCl. Circ 156 sx cmt to pit.

ACCEPTED FOR RECORD
PETER W. CHESTER
Peter W. Chester
OCT 4 1999
BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

14. I hereby certify that the foregoing is true and correct

Signed *[Signature]* Title Production Analyst Date 08/23/99

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

<p>1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____</p> <p>b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____</p> <p>2. NAME OF OPERATOR CONCHO RESOURCES INC.</p> <p>3. ADDRESS AND TELEPHONE NO. 110 W. Louisiana, Ste 410; Midland, Tx 79701 (915) 683-7443</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1990' FNL & 660' FEL At top prod. interval reported below 1990' FNL & 660' FEL At total depth same</p>	<p>5. LEASE DESIGNATION AND SERIAL NO. NM 93469</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME</p> <p>8. FARM OR LEASE NAME, WELL NO. Carbon Valley Deep 23 Federal #1</p> <p>9. API WELL NO. 30015-30714</p> <p>10. FIELD AND POOL, OR WILDCAT Crow Flats Morrow; Undes.</p> <p>11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 23, T-16S, R-27E</p>
--	--

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH Eddy	13. STATE NM
15. DATE SPUDDED 08/18/99	16. DATE T.D. REACHED 09/13/99	17. DATE COMPL. (Ready to prod.) 12/16/99	18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 3604
19. ELEV. CASINGHEAD	20. TOTAL DEPTH, MD & TVD 9354		
21. PLUG, BACK T.D., MD & TVD 9266	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY →	ROTARY TOOLS X
24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* 9120-9124 Morrow			25. WAS DIRECTIONAL SURVEY MADE No
26. TYPE ELECTRIC AND OTHER LOGS RUN GR CNL/FDC DLL			27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8	32	1417	11	750 sx C - circ	0
4-1/2	11.6	9354	7-7/8	730 sx H - TOC @ 5490(calc)	0

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	8808	8804

31. PERFORATION RECORD (Interval, size and number) 9120-9124 w/4 SPF (16 total)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	9120-24	1000 gals 7-1/2% NEFE acid
	9120-24	frac w/32600# 20/40 Interprop sand

33. * PRODUCTION

DATE FIRST PRODUCTION 12/15/99	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) flowing	WELL STATUS (Producing or shut-in) prod
DATE OF TEST 12/19/99	HOURS TESTED 24	CHOKE SIZE 15/64
PROD'N FOR TEST PERIOD →	OIL--BBL. 9	GAS--MCF. 268
WATER--BBL. 0	GAS-OIL RATIO 29777	
FLOW. TUBING PRESS. 350	CASING PRESSURE	CALCULATED 24-HOUR RATE →
OIL--BBL. 9	GAS--MCF. 268	WATER--BBL. 0
OIL GRAVITY-API (CORR.) 50.0		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
sold 12/15/99

TEST WITNESSED BY
Mark Hulse

35. LIST OF ATTACHMENTS
Logs, Letter of Confidentiality, C104, 3160

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED  TITLE Production Analyst DATE 01/04/00

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Wolfcamp	6340		limestone
Atoka	8894	8940	limestone/sandstone/shale
Morrow	9124	9158	Sandstone

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
Wolfcamp	6340				
Atoka	8894				
Morrow	9124				
Barnett	9266				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CONCHO RESOURCES INC.

3. Address and Telephone No.
110 W. LOUISIANA STE 410; MIDLAND, TX 79701 (915) 683-7443

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1990' FNL & 660' FEL, SEC. 23, 16S, 27E

5. Lease Designation and Serial No.
NM 93469

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Carbon Valley Deep 23 Federal #1

9. API Well No.
30015-30714

10. Field and Pool, or Exploratory Area
Crow Flats Morrow, Undes.

11. County or Parish, State
EDDY, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>completion</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

9-14-99 TD @ 9354'. Release Rig @ 6:00 AM.
 9-15-99 WOCU.
 10-21-99 MIRU. Tagged TOC @ 9266'.
 10-22-99 Pickle tbg. Set pkr @ 8806'.
 10-23-99 WO gas sales line & perf.
 10-28-99 Perf Morrow @ 9120-9124' w/ 4 SPF. Set pkr @ 8804'.
 11-5-99 Acidize Morrow @ 9120-24' w/ 1000 gals 7-1/2% NEFE HCL mixed w/ CO2.
 11-22-99 Frac Morrow @ 9120-24' w/ 32600# 20/40 Interprop & 70Q Binary System.
 11-23-99 RU testers. Open on 16/64 ck.
 11-23-99 to 12-15-99 WO Gas tie in.
 12-15-99 Gas tied into El Paso Field Services @ 4:00 PM. Flowing on 12/64 ck, 730# FTP, est 512 MCFPD.
 12-19-99 IP @ 268 MCF, 9 BO, 0 BW, 15/64 ck, 350# FTP.

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Production Analyst Date 01/05/99

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

Concho Resources Inc.

Carbon Valley Deep 23 Federal No. 1

Working Interest Owners:

Owner	DDI
Concho Resources Inc.	50.00%
Chi Energy, Inc.	33.25%
James A. Davidson	4.00%
Fasken Oil & Ranch	12.75%