ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



| ADMINISTRA | TIVE APPLICATION CHECKLIST |
|--|---|
| | INISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS REPROCESSING AT THE DIVISION LEVEL IN SANTA FE |
| [DHC-Downhole Commingling] [PC-Pool Commingling] [[WFX-Waterflood Ex [SWD-Salt Wate | P-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] pansion] [PMX-Pressure Maintenance Expansion] or Disposal] [IPI-Injection Pressure Increase] ecovery Certification] [PPR-Positive Production Response] |
| [A] Location - Spacing [Y] NSL | |
| | - Pressure Increase - Enhanced Oil Recovery IX SWD IPI EOR PPR |
| [D] Other: Specify | |
| | ty or Overriding Royalty Interest Owners |
| [B] Offset Operator | s, Leaseholders or Surface Owner |
| [C] Application is C | One Which Requires Published Legal Notice |
| [D] Notification and U.S. Bureau of Land Mer | or Concurrent Approval by BLM or SLO Regement - Commissioner of Public Lands, State Land Office |
| [E] For all of the ab | ove, Proof of Notification or Publication is Attached, and/or, |
| [F] Waivers are Atta | ached |
| [3] SUBMIT ACCURATE AND COM OF APPLICATION INDICATED | PLETE INFORMATION REQUIRED TO PROCESS THE TYPE ABOVE. |
| approval is accurate and complete to the best application until the required information and | that the information submitted with this application for administrative of my knowledge. I also understand that no action will be taken on this notifications are submitted to the Division. |
| James Bruce (MUE) | Duel Attorney for Applicant 12/12/02 |
| Print or Type Name Signature | Title Date jamesbruc@aol.com |

e-mail Address

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE) (505) 982-2151 (FAX)

jamesbruc@aol.com

December 12, 2002

Hand Delivered

Michael E. Stogner Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Concho Oil & Gas Corp. ("Concho") applies for administrative approval of an unorthodox oil well location in the Devonian formation for the following well:

Well: Ginger Quill "33" Well No. 1
Location: 420 feet FSL & 1207 feet FWL

Well Unit: SW\squaresSW\square\ of Section 33, Township 15 South, Range

36 East, N.M.P.M., Lea County, New Mexico

A Form C-102 for the well is attached as Exhibit A. The well is a wildcat Devonian well, so spacing is 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line.

The unorthodox location is required to place the well at a high structural location. Attached as Exhibit B is a structure map, based on seismic, which shows that moving the well westward to an orthodox location places the well down-structure, and thus Concho would risk missing its objective.

A land plat of the area is attached as Exhibit C. The entire W% of Section 33 is a fee tract with common, undivided ownership. The well is interior to the lease. Therefore, no one was notified of this application.

The well is slightly more than one mile from the Dean-Devonian Pool, which has spacing of 40 acres, with wells to be located within 150 feet of the center of a quarter-quarter section.

Please call me if you need any further information on this matter.

Very truly yours,

James Bruce

Attorney for Concho Oil & Gas Corp.

DISTRICT I 1885 N. French Dr., Hobbs, NM 88340 DISTRICT II 811 South Piret, Artesia, NM 88210

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State of New Mexico

Energy. Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office State Lease - 4 Coptes Fee Lease - 3 Coptes

DISTRICT III 1000 Rio Brazon Rd., Aztec, NM 87410

DISTRICT IV 2040 South Papheop. Santa Fe, NM 87505

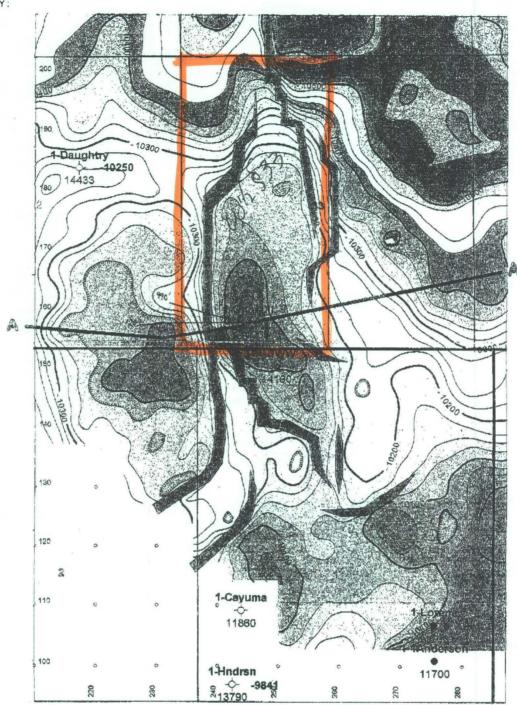
OIL CONSERVATION DIVISION

Santa Fe, New Mexico 87505

AMENDED REPORT

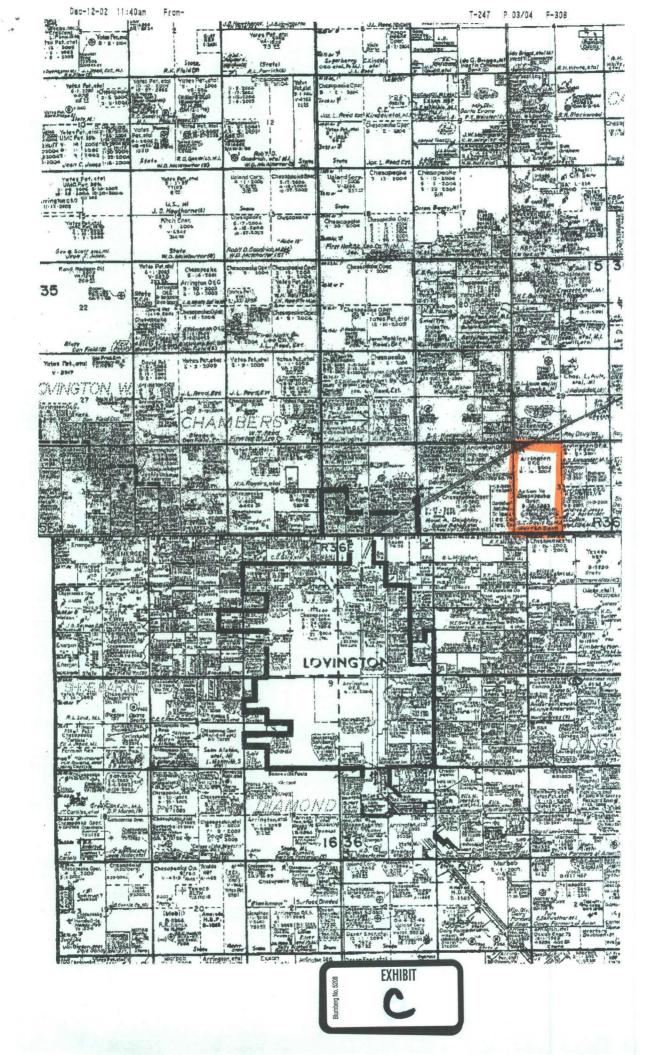
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INQUIRE LAND BY SECTION ONGARD

12/13/02 10:55:07 OGOMES -TPEB PAGE NO: 1

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| ONGARD INQUIRE LAND BY SECTION | Section Type : NORMAL | 40.00 | Fee owned | 40.00 | Fee owned | PF04 GoTo PF05 |
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| | Sec : 33 Twp : 15S Rng : | | | | | PF02 |
| CMD : OG5SECT | Sec : 33 | L 40.00 | Fee owned | M 40.00 | Fee owned | PF01 HELP |