

(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

CONCHO RESOURCES, INC. 166111 (JIM BLOUNT) 915-683-7443

3. ADDRESS AND TELEPHONE NO.

110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS 79702 (915-683-7443)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
1860' FNL & 1980' FWL SEC. 14 T16S-R27E EDDY CO. NM
At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

Approximately 11 miles Northeast of Artesia New Mexico.

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 1860'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED

TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION
TO NEAREST WELL DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH

9400'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3590' GR.

22. APPROX. DATE WORK WILL START

When Approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

Post 2-25-00

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix
17½"	H-40 13 3/8"	48	400'	450 Sx. Circulate to surface.
12½"	J-55 8 5/8"	24	1800'	1000 Sx. " " "
7 7/8"	J-55, N-80 5½"	15.5 & 17	9400'	1500 Sx. Use DV tool circulate

1. Drill 25" hole to 40'. Set 40' of 20" Conductor and cement to surface with Redi-mix.
2. Drill 17½" hole to 400'. Run and set 400' of 13 3/8" H-40 48# ST&C casing. Cement with 450 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 12½" hole to 1800'. Run and set 1800' of 8 5/8" J-55 24# ST&C casing. Cement with 1000 Sx. of Class "C" cement + ½# flocele/Sx. + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 9400'. Run and set 9400' of 5½" casing as follows: 1700' of 17# N-80 LT&C, 6000' of 15.5# J-55 LT&C, 1700' of 17# N-80 LT&C casing. Cement 1st stage with 900 Sx. of Class "H" Premium Plus + additives, 2nd stage with 600 Sx. of Class "C" + additives, circulate cement to surface.

Notify OCD at SPUD & TIME
to witness cementing the
8 5/8" casing.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Pat Janice TITLE Agent

DATE 01/04/00

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

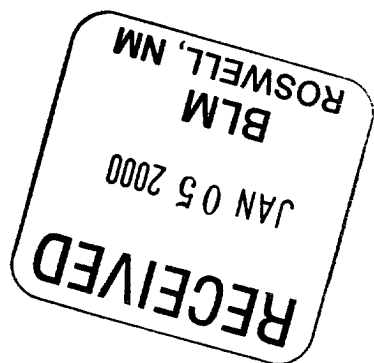
Assistant Field Manager,
Lands And Minerals

APPROVED BY _____ TITLE _____

DATE FEB 14 2000

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 76079	Pool Name DIAMOND MOUND-MORROW
Property Code	Property Name CARBON VALLEY 14 FEDERAL	Well Number 2
OGRID No. 166111	Operator Name CONCHO RESOURCES, INC	Elevation 3590

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	14	16 S	27 E		1860	NORTH	1980	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

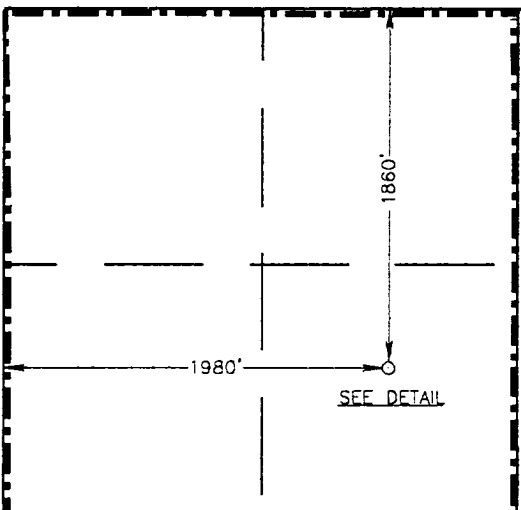
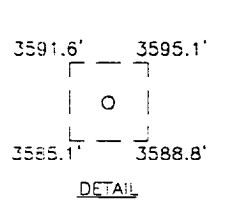
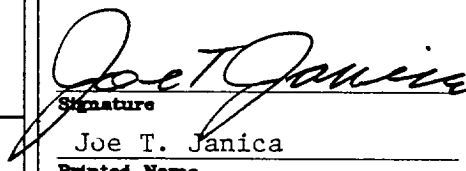
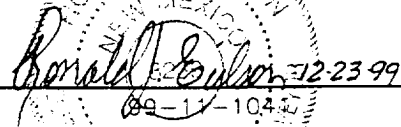
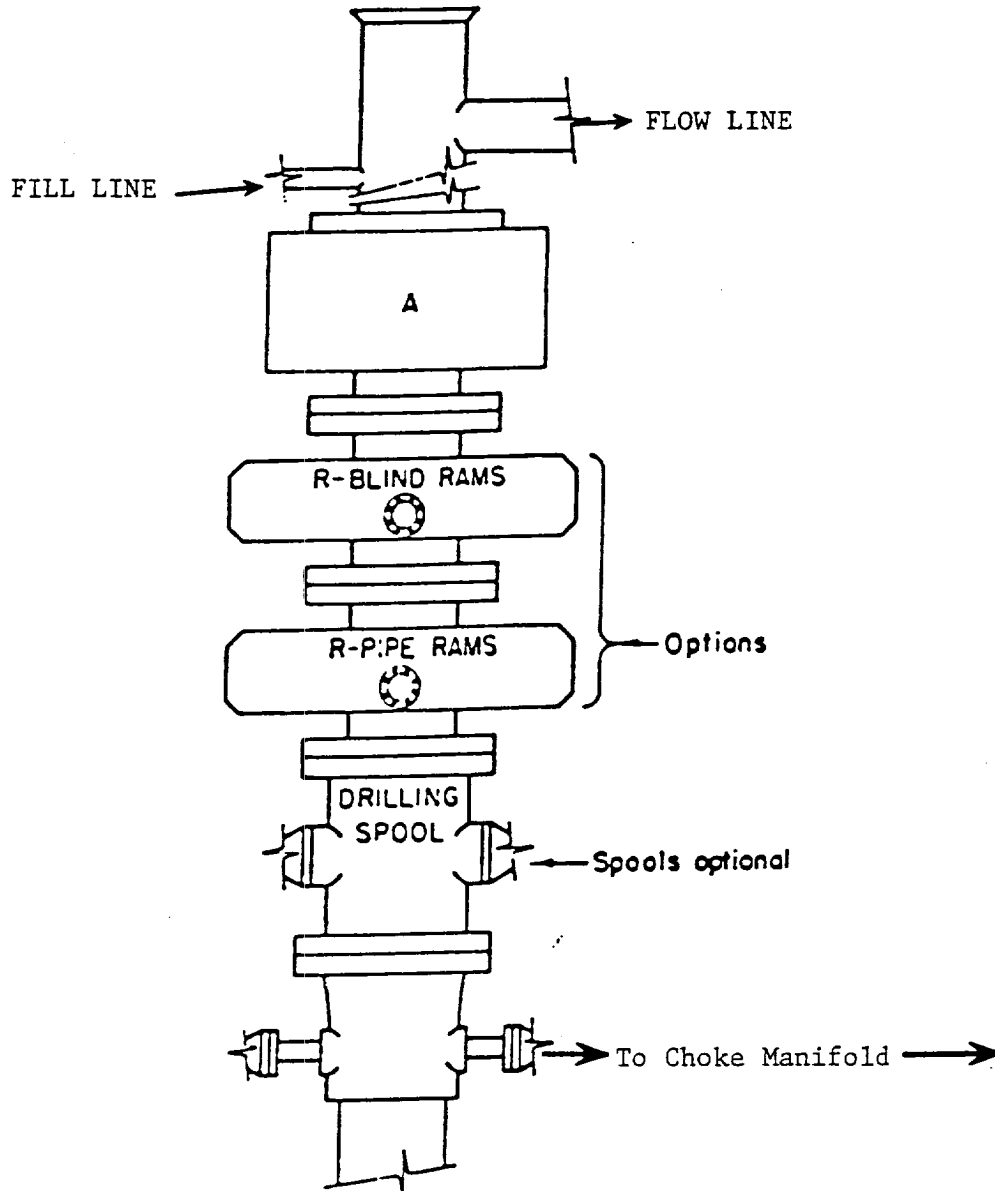
		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature Joe T. Janica Printed Name Agent Title 01/04/00 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown 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.</p> <p>DECEMBER 20, 1999</p> <p>Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641 MACON McDONALD 12185</p>
---	---	---

EXHIBIT "A"

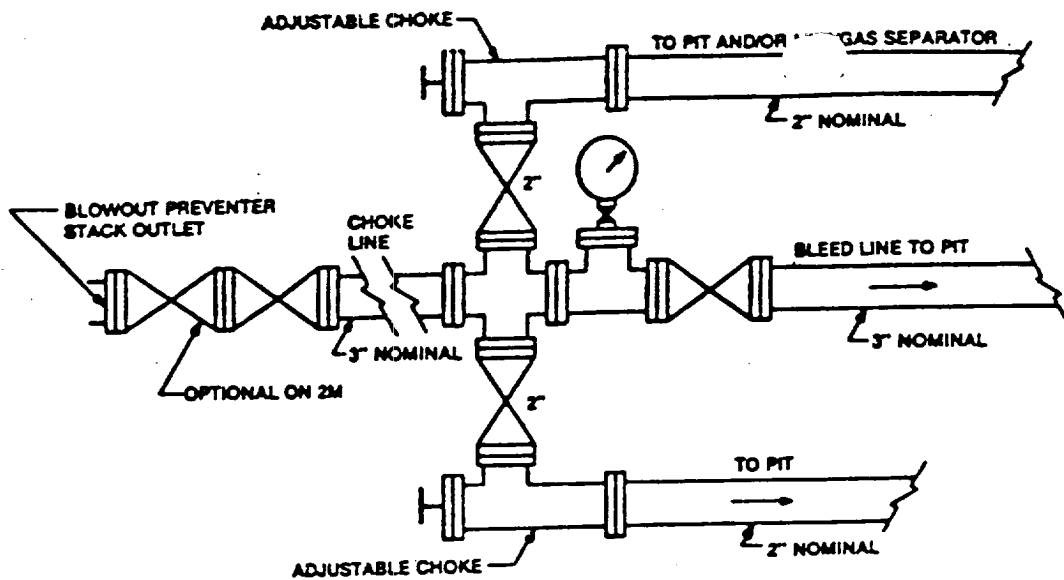


ARRANGEMENT SRRA

900 Series
3000 PSI WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

CONCHO RESOURCES, INC.
CARBON VALLEY "14" FEDERAL # 2
UNIT "F" SECTION 14
T16S-R27E EDDY CO. NM



Typical choke manifold assembly for 3M WP system

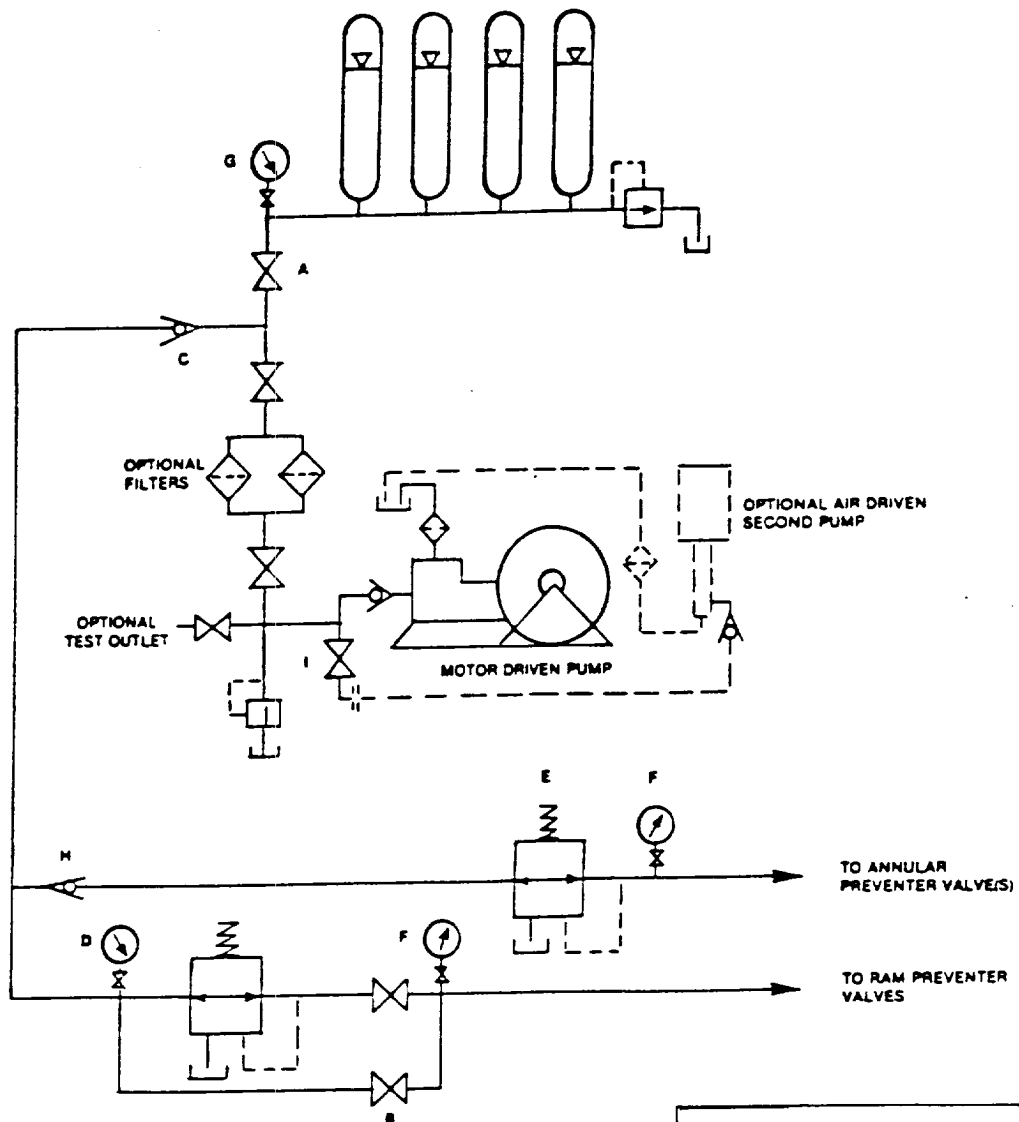


EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

CONCHO RESOURCES, INC.
CARBON VALLEY "14" FEDERAL # 2
UNIT "F" SECTION 14
T16S-R27E EDDY CO. NM

APPLICATION TO DRILL

CONCHO RESOURCES, INC.
 CARBON VALLEY "14" FEDERAL # 2
 UNIT "F" SECTION 14
 T16S-R27E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 1860' FNL & 1980' FWL SECTION 14 T16S-R27E EDDY CO. NM
2. Elevation above Sea Level: 3590' GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 9400'
6. Estimated tops of geological markers:

Seven Rivers	250'	Wolfcamp	7300'
Grayburg	1150'	Strawn	8300'
San Andres	1450'	Morrow	9200'
7. Possible mineral bearing formations:

Wolfcamp	Oil
Strawn	Oil
Morrow	Gas
8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-401'	20"	Conductor	NA	NA	Conductor
17½"	0-400'	13 3/8"	48	8-R	ST&C	H-40
12½"	0-1800'	8 5/8"	24	8-R	ST&C	J-55
7 7/8"	0-9400'	5½"	15.5 & 17	8-R	LT&C	N-80 J-55

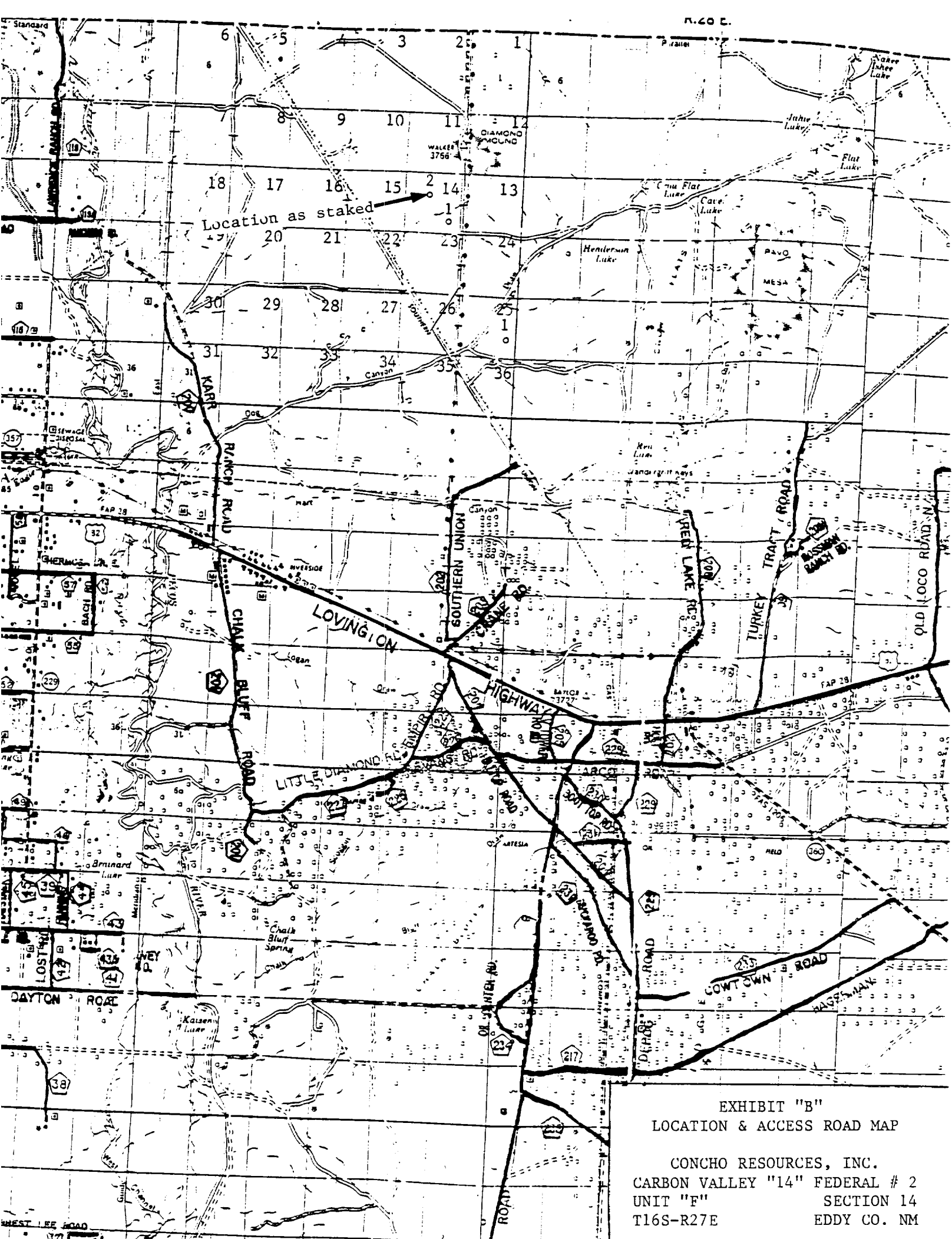


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

CONCHO RESOURCES, INC.
CARBON VALLEY "14" FEDERAL # 2
UNIT "F" SECTION 14
T16S-R27E EDDY CO. NM