

**UNITED STATES DEPARTMENT OF THE INTERIOR**  
BUREAU OF LAND MANAGEMENT ARTESIA, NM 88210-2834

SUBMIT IN TRIPLICATE\*

(Other instructions on side)

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

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. <b>LC MN-029387-A</b>		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> <b>166111</b> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----		
2. NAME OF OPERATOR <b>CONCHO RESOURCES INC. (JIM BLOUNT) 915-683-7443</b>			7. UNIT AGREEMENT NAME -----		
3. ADDRESS AND TELEPHONE NO. <b>110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS 79701</b>			8. FARMOR LEASE NAME WELL NO. <b>WEST SHUGART "29" #3</b>		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface <b>990' FSL &amp; 990' FWL SEC. 29 T18S-R31E EDDY CO. NM</b> At proposed prod. zone <b>SAME</b>			9. API WELL NO. <b>30-015-30774</b>		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>Approximately 10 miles Southeast of Loco Hills NM.</b>			10. FIELD AND POOL, OR WILDCAT <b>WEST SHUGART-DELAWARE</b>		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) <b>990'</b>			11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA <b>SEC. 29 T18S-R31E</b>		
16. NO. OF ACRES IN LEASE <b>1280</b>			12. COUNTY OR PARISH <b>EDDY CO.</b>		
17. NO. OF ACRES ASSIGNED TO THIS WELL <b>40</b>			13. STATE <b>NEW MEXICO</b>		
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>660'</b>			19. PROPOSED DEPTH <b>6100'</b>		
20. ROTARY OR CABLE TOOLS <b>ROTARY</b>			21. APPROX. DATE WORK WILL START* <b>As soon as approved</b>		
22. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>3577' GR.</b>			23. <b>PROPOSED CASING AND CEMENTING PROGRAM</b>		

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" Cond.	NA	40'	Redi-mix Cement to surface
17 1/2"	H-40 13 3/8"	48	450'	450 Sx. Circulate to surface
11"	K-55 8 5/8"	32	2800'	710 Sx. " " "
7 7/8"	K-55 5 1/2"	15.5	6100'	650 Sx. Estimate top C 3400'

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 450'. Run and set 450' of 13 3/8" 48# H-40 ST&C casing. Cement with 450 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 11" hole to 2800'. Run and set 2800' of 8 5/8" 32# K-55 ST&C CASING. Cement with 510 Sx. of 35/65 POZ Class "C" + 12% salt + 1/4# flocele/Sx. + 1# gilsonite/Sx. + 6% bentonite, tail in with 200 Sx. of Class "C" + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 6100'. Run and set 6100' of 5 1/2" 15.5# K-55 LT&C casing. Cement with 200 Sx. of 35/65 POZ + 12% salt + 1/4# flocele/Sx. + 1# gilsonite/Sx. + 6% bentonite tail in with 350 Sx. of Class "C". TOC 3400'

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 *Joel Janice* TITLE Agent DATE 08/20/99

(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.

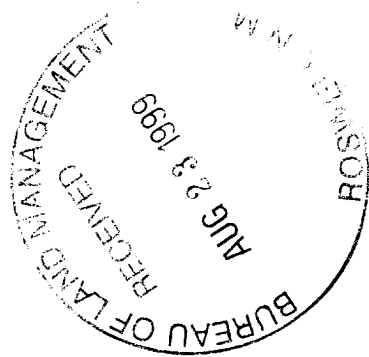
CONDITIONS OF APPROVAL, IF ANY:

*1500' - 1500'*

Acting Assistant Field Office Manager,  
Lands and Minerals

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 10/01/99

\*See Instructions On Reverse Side



DISTRICT I  
P.O. Box 1900, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 86211-0719

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Depart.

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

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	Pool Name WEST SHUGART - DELAWARE
Property Code	Property Name W. SHUGART 29 FEDERAL	Well Number 3
OGRID No. 166111	Operator Name CONCHO RESOURCES INC.	Elevation 3577

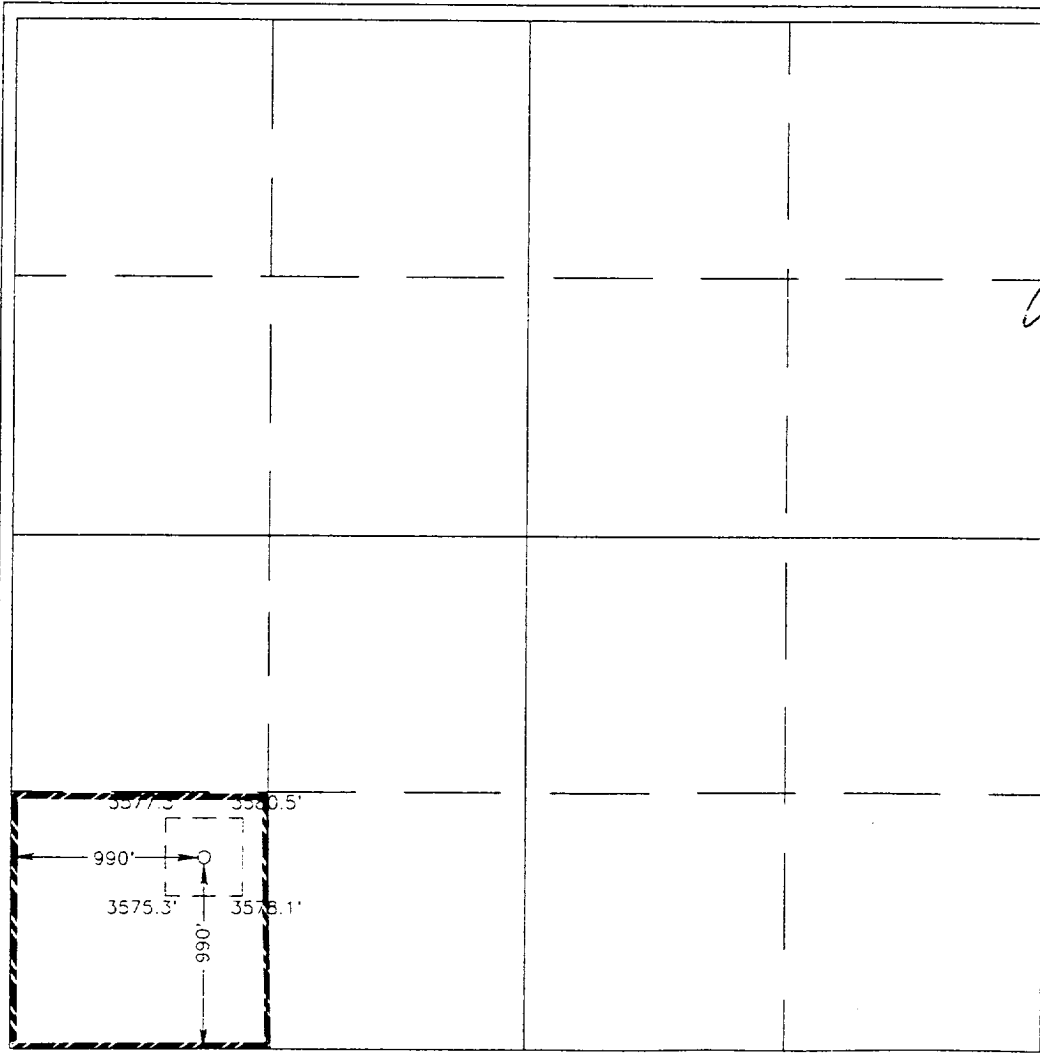
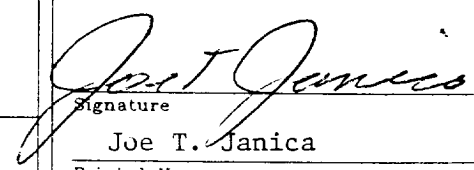
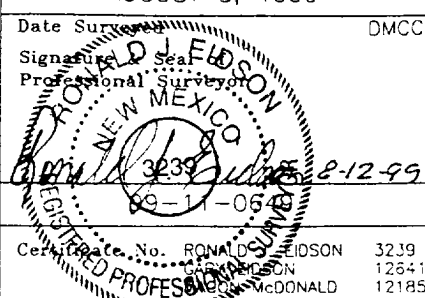
Surface Location

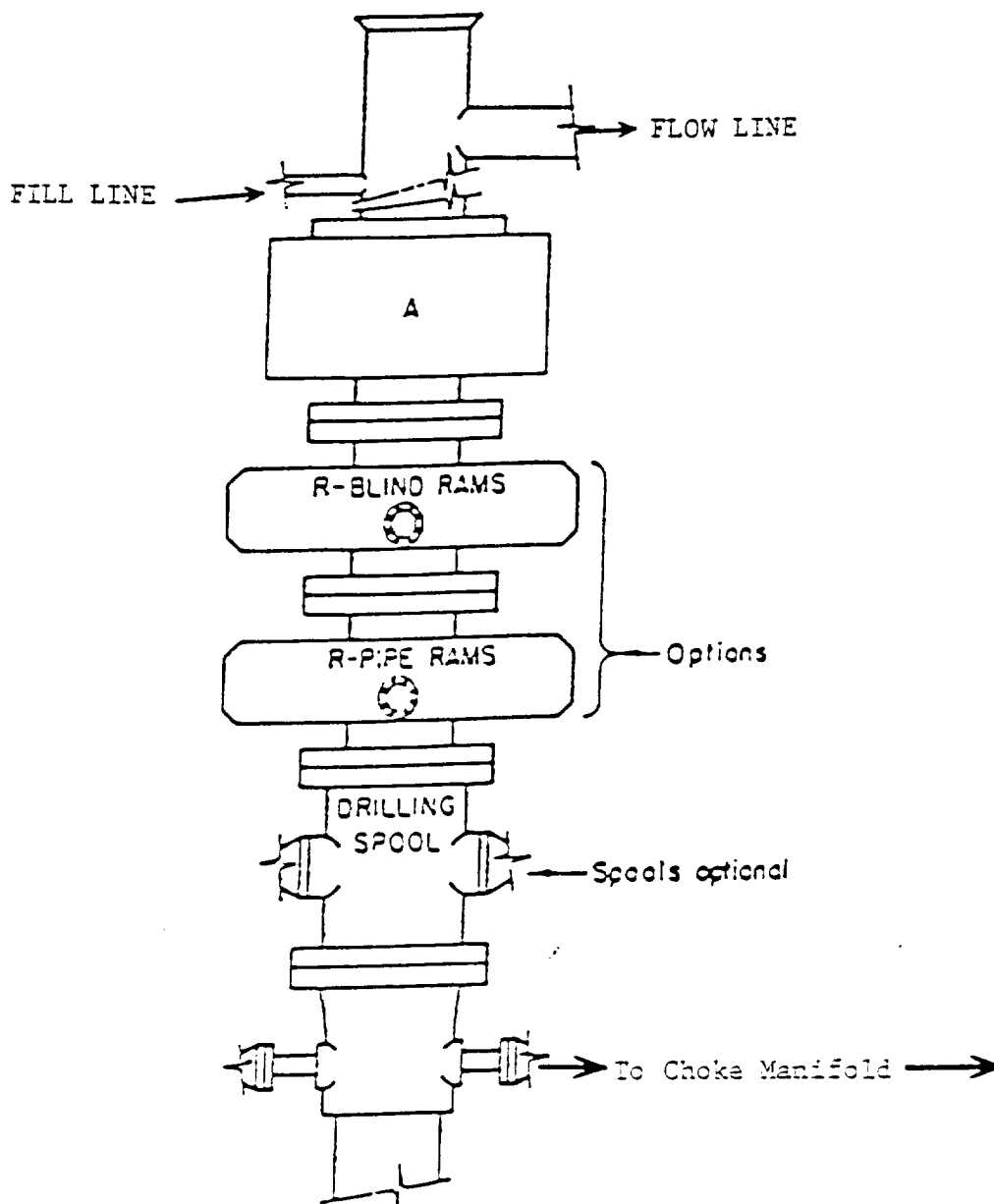
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	18 S	31 E		990	SOUTH	990	WEST	EDDY

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 40	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 08/20/99 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>AUGUST 8, 1999 Date Surveyed DMCC</p> <p> Signature Professional Surveyor NEW MEXICO 3239 8-12-99</p> <p>Cert. No. RONALD D. EDSON 3239 McDONALD 12641 12185</p>

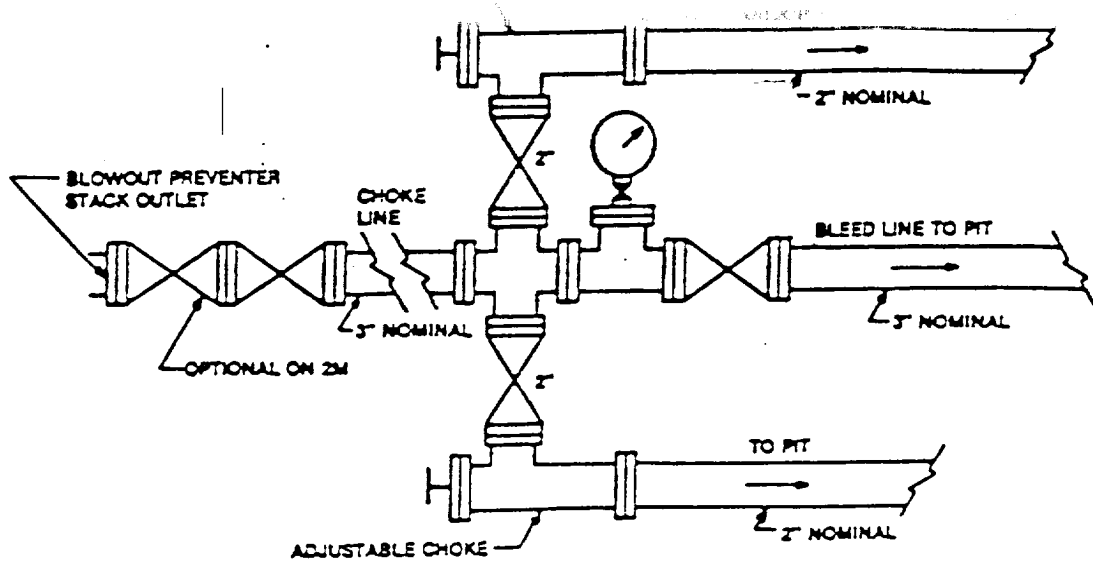


# ARRANGEMENT SRRA

900 Series  
3000 PSI WP

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

CONCHO RESOURCES, INC.  
WEST SHUGART "29" FEDERAL # 3  
UNIT "M" SEC. 29  
T18S-R31E EDDY CO. NM



Typical choke manifold assembly for 3M WP system

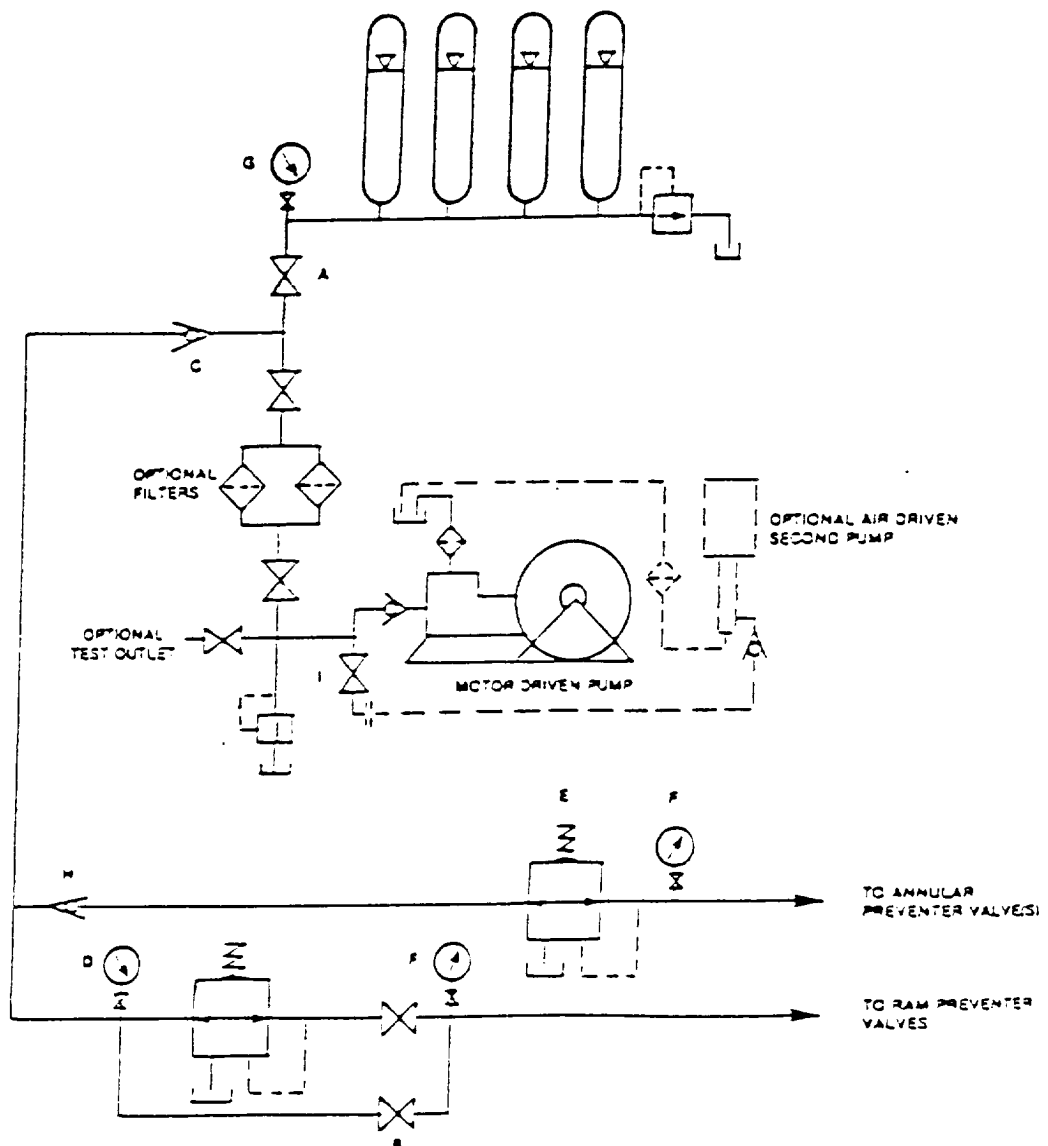


EXHIBIT "E-1"  
CHOKE MANIFOLD & CLOSING UNIT

CONCHO RESOURCES, INC.  
WEST SHUGART "29" FEDERAL # 3  
UNIT "M" SEC. 29  
T18S-R31E EDDY CO. NM