

APPLICATION TO DRILL

CONCHO RESOURCES, INC.
 FILAREE "24" FEDERAL # 2
 UNIT "P" SECTION 24
 T22S-R25E 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: 1300' FSL & 850' FEL SEC. 24 T22S-R25E EDDY CO. NM
2. Elevation above Sea Level: 3418' 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: 11,500'
6. Estimated tops of geological markers:

Delaware	2310'	Strawn	9670'
Bone Spring	4670'	Atoka	10130'
Wolfcamp	8220'	Morrow	10625'
Cisco	9380'	Barnett Sh.	11160'
7. Possible mineral bearing formations:

Bone Spring	Oil	Strawn	Gas
Wolfcamp	Oil	Atoka	Gas
Cisco	Gas	Morrow	Gas
8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
17½"	0-600'	13 3/8"	48	8-R	ST&C	H-40
12¼"	0-2250'	9 5/8"	36	8-R	ST&C	J-55
8 3/4"	0-11,500'	5½"	17	8-R	LT&C	S-95