

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

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

CISF

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)
1980' FNL & 660' FWL, SEC. 28, T-23S, R-29E

5. Lease Designation and Serial No.
NM 86024

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
COCHITI '28' FEDERAL #1

9. API Well No.
30015-30113

10. Field and Pool, or Exploratory Area
DELAWARE/1ST BONE SPRING

11. County or Parish, State
EDDY CO, NM

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

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other DOWNHOLE COMMINGLE
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

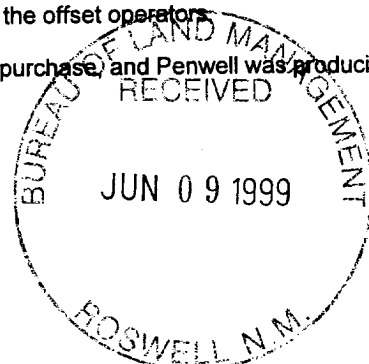
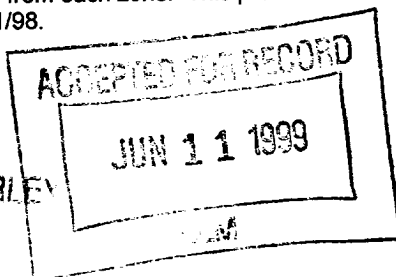
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)
CONCHO RESOURCES INC. ACQUIRED THIS LEASE FROM PENWELL ENERGY INC. ON 2/1/99.

After reviewing the well file relative to the above well we have found that downhole commingling of the production began on 10/31/98. The well was shut in prior to the our purchase. We have isolated the Delaware formation and the Bone Spring formation and found that the Delaware is not producing any water, gas, or oil. We do not wish to abandon the Delaware perms but would like to continue producing the Bone Spring formation. Since the Delaware is not productive we will be allocating 0% to this formation and 100% of the production to the Bone spring formation.

A plat (C-102) is attached showing the acreage dedication for this well. A plat is also included to show the offset operators.

A decline curve is also attached showing production from each zone. This production was prior to our purchase, and Penwell was producing each zone individually prior to commingling on 10/31/98.



GARY GOURLEY

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

Signed

Title

Production Analyst

Date

6/8/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any: