

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

(Other instructions on
Form 1004-0136)

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

166111

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

CONCHO RESOURCES, INC. (ERICK NELSON) 915-683-7443

3. ADDRESS AND TELEPHONE NO.

110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS 79701 CD - ARTESIA

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

At surface

1980' FNL & 660' FEL SEC. 1 T24S-R30E EDDY CO. NM

At proposed prod. zone SAME

Unit H

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

Approximately 15 miles East of Loving New Mexico.

15. DISTANCE FROM PROPOSED*

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

660'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

NA

16. NO. OF ACRES IN LEASE

640

19. PROPOSED DEPTH

8200'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

ROTARY

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

3422' GR.

22. APPROX. DATE WORK WILL START*

When approved

23.

Secretary's Potash**PROPOSED CASING AND CEMENTING PROGRAM****Carlsbad Controlled Water Basin**

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20" conductor	NA	40'	Cement to surface with Redi-mix
17½"	H-40 13 3/8"	48	500'	500 Sx. circulate to surface
11"	K-55 8 5/8"	32	4000'	1200 Sx. " " "
7 7/8"	J-55 5½"	17	8200'	800 Sx. Est TOC 3600' from sur

1. Drill 25" hole to 40'. Set 40' of 20" Conductor and cement to surface with Redi-mix.

2. Drill 17½" hole to 500'. Run and set 500' of 13 3/8" H-40 48# ST&C CASING. Cement with 500 Sx. of Class "C" cement + 2% CaCl + ½# Flocele/ Sx. circulate cement to surface.

3. Drill 11" hole to 4000'. Run and set 4000' of 8 5/8" K-55 32# ST&C casing. Cement with 1000 Sx. of class "C" Light cement + additives tail in with 200 Sx. of Class "C" cement + 2% CaCl + ½# Flocele/sx circulate cement to surface.

4. Drill 7 7/8" hole to 8200'. Run and set 8200' of 5½" J-55 17# LT&C casing. Cement with 500 Sx. of Class "H" Light cement + additives, tail in with 300 Sx. of Class "H" Premium Plus cement + additives estimate top of cement 3600' from surface.

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

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

DATE 03/09/01

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:

APPROVED BY LS/ Gary Johnson Acting TITLE STATE DIRECTOR DATE JUN 22 2001

*See Instructions On Reverse Side **APPROVAL FOR 1 YEAR**

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.