

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK FOR SUCH DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-100) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-32410
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>CONCHO O&amp;G Corp</b> <del>Rio Exploration Inc</del>		6. State Oil & Gas Lease No.
3. Address of Operator 110 W. Louisiana, Ste 410 Midland, TX 79701		7. Lease Name or Unit Agreement Name: State 'IE' Com
4. Well Location Unit Letter <u>M</u> : <u>660'</u> feet from the <u>South</u> line and <u>660'</u> feet from the <u>West</u> line Section <u>16</u> Township <u>22S</u> Range <u>26E</u> NMPM County <u>Eddy</u>		8. Well No. #2
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3447' GR		9. Pool name or Wildcat Happy Valley - Morrow Gas (78060)

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Completion <input checked="" type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

12/06/02 - RU completion unit. TIH w/2-7/8" tbg. Tag cmt @ 6990'. Tag up PBTD @ 11,648'.  
12/09/02 - RU Computalog. Ran GR/CBL/CCL. TOC @ 3100'.  
12/10/02 - Perf 2 SPF @ 11,376'-78', 11,364'-72', 11,344'-52', 11,264'-66', 11,253'-56', & 11,243'-50'. RU tbg testers. Test tbg in hole to 9000#- Ok.  
12/12/02 - Continue testing in hole w/3-1/2" worksting. Set M 1-X pkr @ 10,938' to 10,944'. EOT @ 10,978', 2.31 XN nipple @ 10,977', 2.31 "X" @ 10,937'. LD & test tbg, annulus & frac stack to 2500#- Ok.  
12/13/02 - Swab.  
12/14/02 - Acidize from 11,243'-11,378' w/4500 gals 7-1/2% morrow acid.  
12/16/02 - Swab.  
12/18/02 - Frac Morrow perfs (11,243'-11,378') w/6600 gals 70 Quality Binary foam.  
12/19/02 - Testing.  
12/31/02 - Build steel flow line from tree to pit. Open well up on 12/64" chk to pit.  
1/10/03 - Connect to sales line. Ran BHP. BHP 3810#. Turn well over to production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dora Bustamante TITLE Production Analyst DATE 1/16/03

Type or print name Dora Bustamante Telephone No. 915/ 683-7443

(This space for State use)

APPROVED BY [Signature] TITLE  DATE   
Conditions of approval, if any: