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by

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification
ID
Lease NMNM96212
CA
Unit
PA

Bureau of Land Management Office CARLSBAD FIELD OFFICE		Operator CONCHO RESOURCES INC				
Address P O BOX 1778 CARLSBAD NM 88220		Address 110 W LOUISIANA, SUITE 410 MIDLAND TX 79701				
Telephone 505.887.6544		Attention				
Inspector Eugene Hunt		Attn Addr				
Site Name ANGEL 6 FED	Well or Facility 1	Township 20S	Range 28E	Meridian NMP	Section 6	1/4 1/4 NWSW
Site Name ANGELL 6 FED #1 BATTERY	Well or Facility A	Township 20S	Range 28E	Meridian NMP	Section 6	1/4 1/4 NWSW

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
03/14/2000	10:00	43 CFR 3164.1, O.O.#3,III.I.	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
04/08/2000	4/6/00		43 CFR 3163.1()

Remarks NO SITE FACILITY DIAGRAM IN FILES FOR THIS LOCATION. SUBMIT ACCURATE SITE DIAGRAM WHICH INCLUDES THE VALVE SEALING REQUIREMENTS FOR BOTH PRODUCTION AND SALES PHASES OF OPERATIONS. DIAGRAM DUE WITHIN 10 WORKING DAYS OF NOTICE.

When violation is corrected, sign this notice and return to above address.

Company Representative Title Production Analyst Signature *[Signature]* Date 4/6/00
Company Comments please see attached diagram.

WARNING

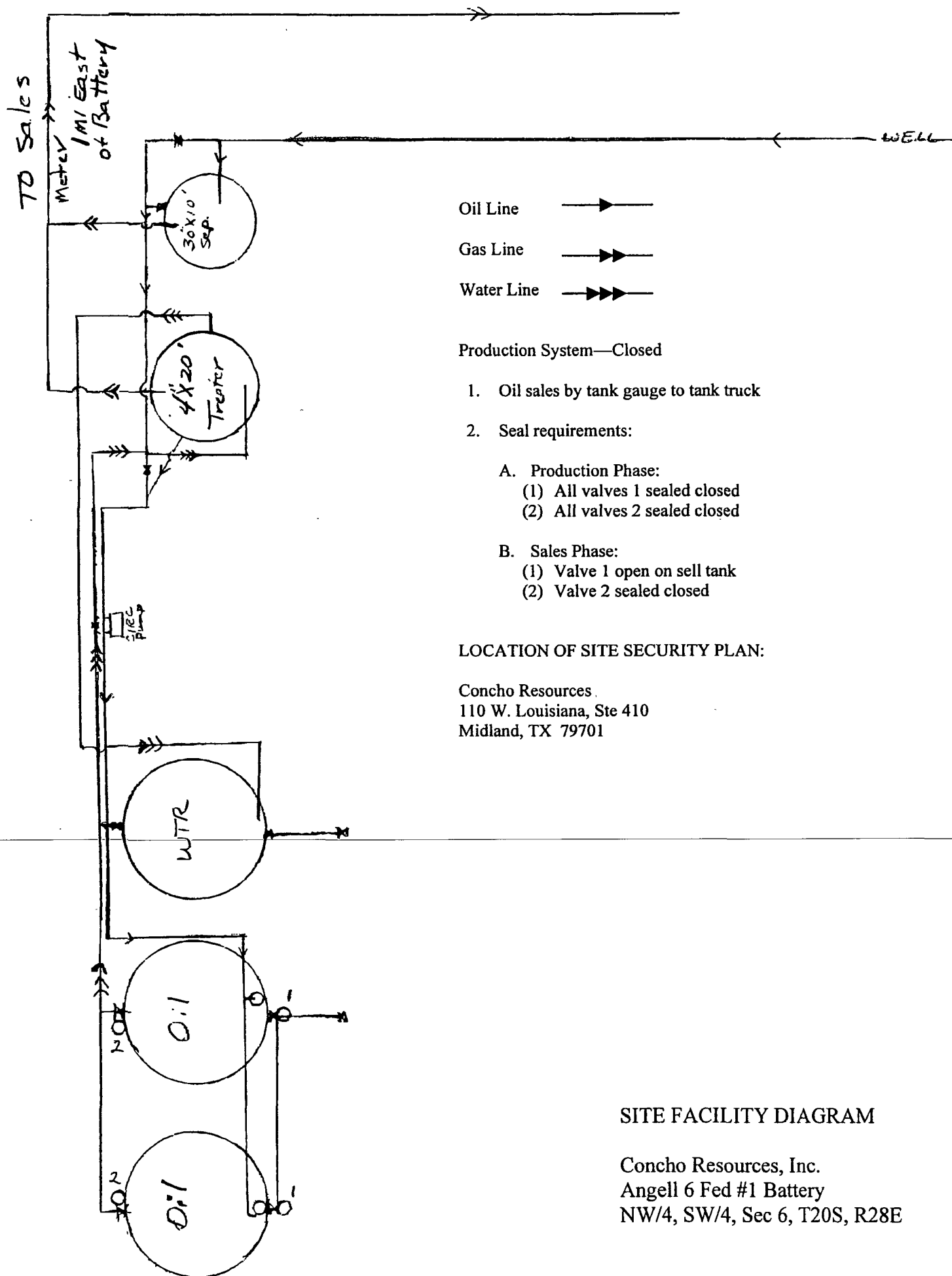
Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 4015 Wilson Blvd., Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <i>[Signature]</i>		Date 3/14/00	Time 1648	
FOR OFFICE USE ONLY				
Number 15	Date	Assessment	Penalty	Termination
Type of Inspection SS				



SITE FACILITY DIAGRAM

Concho Resources, Inc.
Angell 6 Fed #1 Battery
NW/4, SW/4, Sec 6, T20S, R28E