

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
CONCHO EXPLORATION INC.

3a. Address
550 W. TEXAS, SUITE 1300 MIDLAND TX 79701

3b. Phone No. (include area code)
(432)685-4373

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
700' FSL & 990' FWL, Unit M
Sec. 11, T-18-S, R-27-E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Federal DH Gas Com #1

9. API Well No.
30-015-24875-24857

10. Field and Pool, or Exploratory Area
Scoggin Draw-Strawn

11. County or Parish, State
Eddy
New Mexico

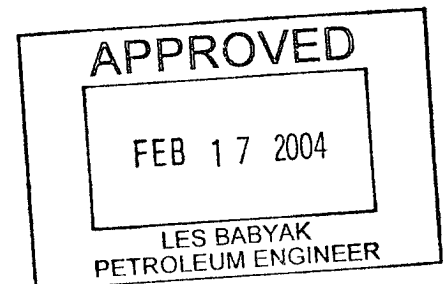
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Please, consider this Concho's request for an exception to packer leakage test per the attached.

SUBJECT TO
LIKE APPROVAL
BY NMOCD



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

BRENDA COFFMAN

Title
REGULATORY ANALYST

Signature

Date
02/12/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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.

(Instructions on reverse)

Federal DH Gas Com #1
Sec.11-T18S-R27E
Eddy County, NM

This well recently failed a packer leakage test. It was originally completed in the Strawn (9295'- 9308') by Amoco in 1984. Historical production data shows that it never produced. In 1989 Amoco recompleted it in the Morrow (9789'- 9864'). The Strawn was isolated from the new Morrow perfs by a packer set at 9627' and left shut in (it was not productive). In 1999 a workover of the Morrow was initiated by Rising Star Energy to frac the existing perfs. During this process there was a fishing job and packer failure. During the fishing job it was noted on the report that the backside (Strawn perfs) loaded and were able to hold +/- 700# while circulating. It was therefore concluded that the Strawn formation is plugged off and will not communicate with the Morrow production. The packer was left unset leaving the Morrow and Strawn commingled. This is the reason for the failure of the packer leakage test. Due to the low profitability of this well and the possibility of having problems pulling the packer. Concho requests that the well be left as is since it appears that the Strawn is plugged off and not capable of communicating with the Morrow.