

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 19951625 North Drive
Hobbs, NM 88240LEASE DESIGNATION AND SERIAL NO.
NM-056376 56263

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

CODORNIZ "28" FEDERAL # 2

9. API WELL NO.

30-025-36196

10. FIELD AND POOL OR WILDCAT

QUAIL RIDGE-MORROW

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

SECTION 28 T19S-R34E

12. COUNTY OR PARISH LEA CO. 13. STATE NEW MEXICO

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

c. NAME OF OPERATOR

Concho Oil & Gas Corp.

RICKS EXPLORATION, INC. (ERICK NELSON 915-683-7443)

d. ADDRESS AND TELEPHONE NO.

110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS 79701 (915-683-7443)

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

At surface

1980' FSL & 660' FWL SEC. 28 T19S-R34E LEA CO. NM

At proposed prod. zone SAME

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

Approximately 30 miles Southwest of Hobbs, New MEXICO

g. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

660'

h. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

2700'

i. NO. OF ACRES IN LEASE

320

j. NO. OF ACRES ASSIGNED
TO THIS WELL

320

k. PROPOSED DEPTH

13,800'

l. ROTARY OR CABLE TOOLS

ROTARY

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

3691' GR.

Captain Controlled Water Right

n. APPROX. DATE WORK WILL START*

When approved

o.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17 1/2"	H-40 13 3/8"	48	500'	400 Sx. circulate to surface.
12 1/4"	J-55, HCK-55 8 5/8"	32	5200'	1800 Sx. " " "
7 7/8"	N-80, S-95 5 1/2"	17	13,800'	1400 Sx. Est TOC 4700'

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 17 1/2" hole to 500'. Run and set 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 200 Sx. of Class "C" Lite cement + 2% CaCl, additives, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + 1/4# Flocele/Sx., circulate cement to surface.
3. Drill 12 1/4" hole to 5200'. Run and set 5200' of 8 5/8" casing as follows: 2300' of 8 5/8" 32# HCK-55 ST&C, 2900' of 8 5/8" 32# J-55 ST&C casing. Cement with 1600 Sx. of Class "C" Lite weight Cement + additives, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + 1/4# Flocele/Sx., circulate cement to surface.
4. Drill 7 7/8" hole to 13,800'. Run and set 13,800' of 5 1/2" casing as follows: 3700' of 5 1/2" 17# S-95 LT&C, 7600' of 5 1/2" 17# N-80 LT&C, 2500' of 5 1/2" 17# N-80 Buttress thread. Cement with 700 Sx. of Class "H" Lite weight cement + additives, tail in with 700 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 4700'.

* 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

TITLE Agent

DATE 01/15/03

(This space for Federal or State office use)

PERMIT NO.

Application approval does not warrant or certify that the ap
CONDITIONS OF APPROVAL IF ANY:

OPER. OGRID NO. 193407

PROPERTY NO. 32040

POOL CODE 83280

EFF. DATE 3-5-03

API NO. 30-025-36196

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

/s/ Mary J. Rugwell

APPROVED BY

TITLE

FIELD MANAGER

DATE

FEB 27 2003

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36196	Pool Code 83280	Pool Name QUAIL RIDGE MORROW
Property Code 32040	Property Name CODORNIZ "28" FEDERAL	Well Number 2
GRID No. 193407-✓	Operator Name CONCHO OIL & GAS CORP.	Elevation 3691'

Surface Location

UL or lot No. L	Section 28	Township 19 S	Range 34 E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
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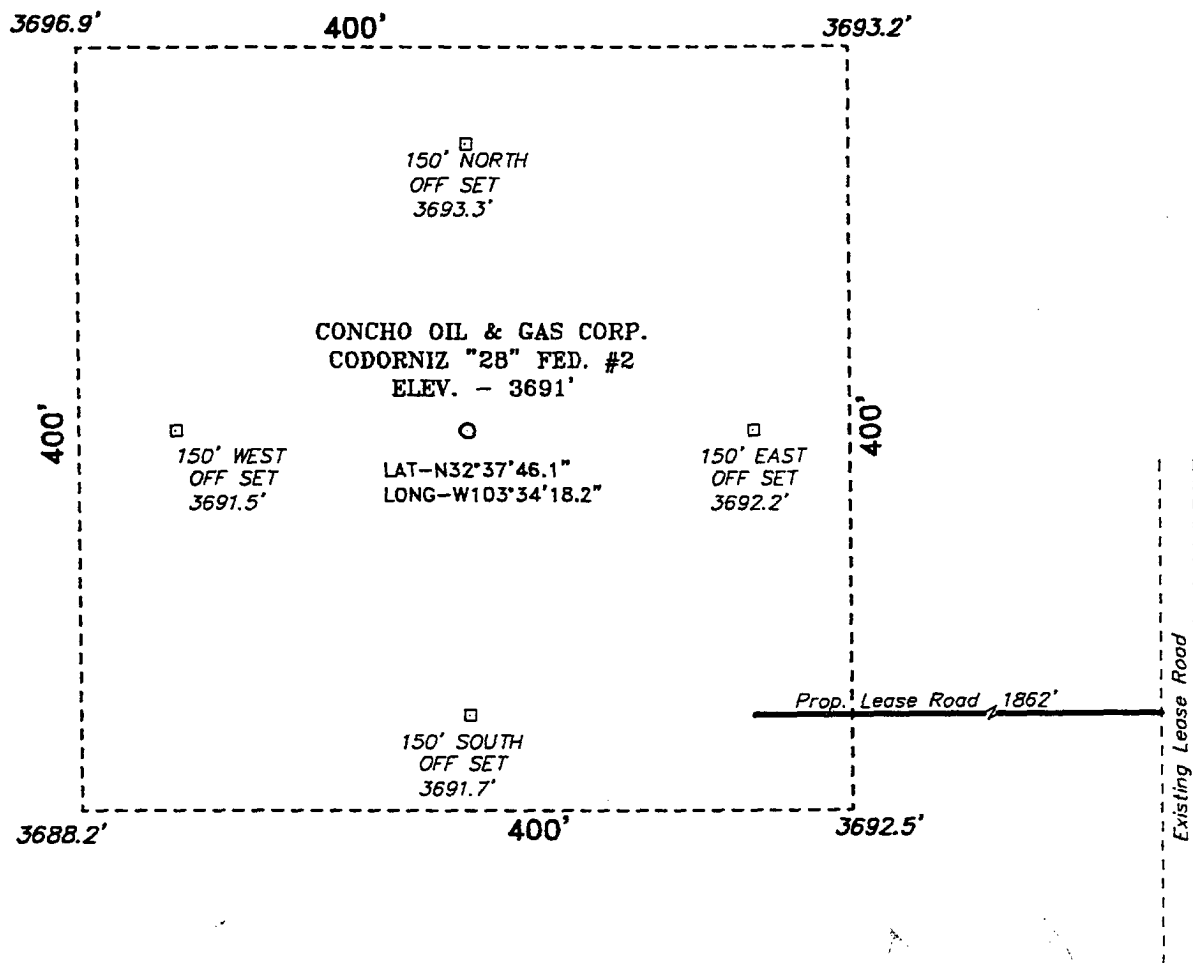
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Joe T Janica</i> Signature</p> <p>Joe T. Janica Printed Name</p> <p>Agent Title</p> <p>02/06/03 Date</p>
<p>EXHIBIT "A"</p>		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>JANUARY 03, 2003 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal Professional Surveyor</p> <p>7977 W.O. No. 2940</p> <p>Certificate No. Gary Jones 7977 PROFESSIONAL LAND SURVEYOR</p>

SECTION 28, TOWNSHIP 19 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM MILE MARKER 76 ON US HWY 62/180, GO WEST FOR 0.8 MILE TO A LEASE ROAD; THENCE NORTH ON LEASE ROAD FOR 1.1 MILE TO PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 2940 Drawn By: K. GOAD

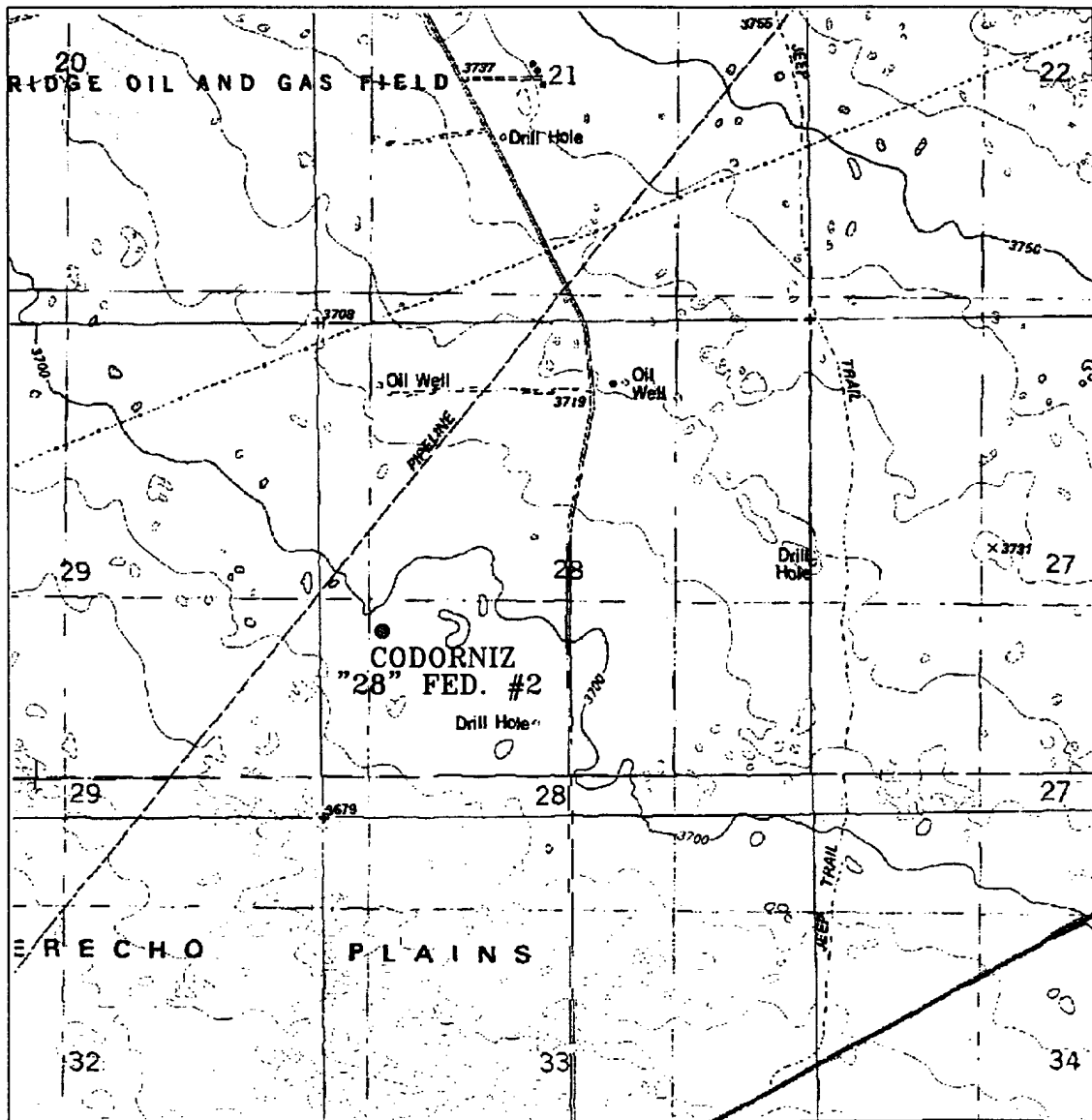
Date: 01-06-2003 Disk: KJG CD#4 - 2940A.DWG

CONCHO OIL & GAS CORP.

REF: CODORNIZ "28" FED. No. 2/Well Pad Topo

THE CODORNIZ "28" No. 2 LOCATED 1980' FROM THE SOUTH LINE AND 660' FROM THE WEST LINE OF SECTION 28, TOWNSHIP 19 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 01-03-2003 Sheet 1 of 1 Sheets



CODORNIZ "28" FEDERAL #2

Located at 1980' FSL and 660' FWL

Section 28, Township 19 South, Range 34 East,
N.M.P.M., Lea County, New Mexico.

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basin
surveys
focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

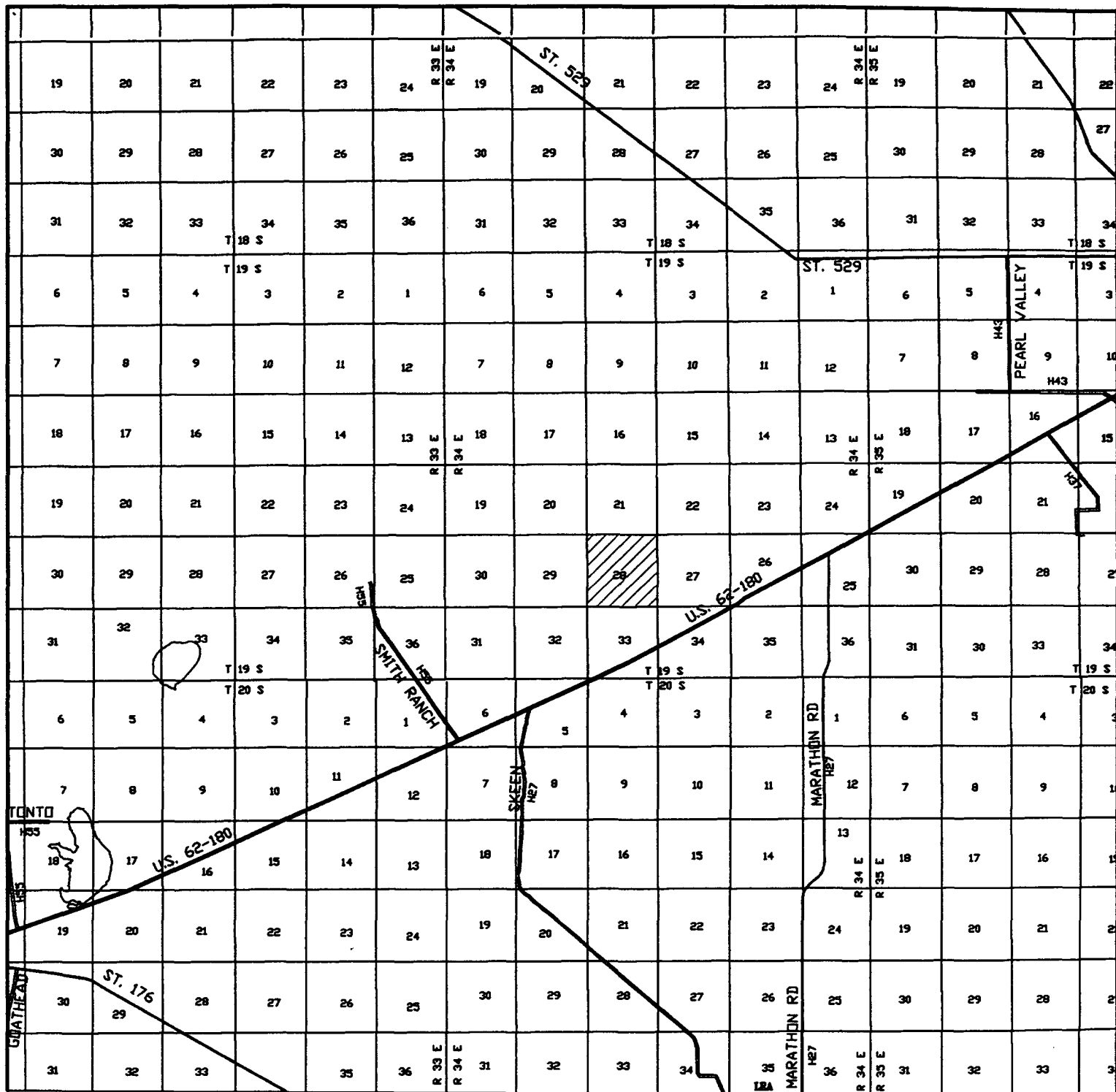
W.O. Number: 2940AA - KJG CD#5

Survey Date: 01-03-2003

Scale: 1" = 2000'

Date: 01-06-2003

CONCHO
OIL & GAS
CORP.



CODORNIZ "28" FEDERAL #2

Located at 1980' FSL and 660' FWL

Section 28, Township 19 South, Range 34 East,
N.M.P.M., Lea County, New Mexico.

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1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: 2940AA - KJG CD#5

Survey Date: 01-03-2003

Scale: 1" = 2 MILES

Date: 01-06-2003

CONCHO
OIL & GAS
CORP.

APPLICATION TO DRILL

CONCHO OIL & GAS CORP.
 CODORNIZ "28" FEDERAL # 2
 UNIT "L" SECTION 28
 T19S-R34E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 1980' FSL & 660' FWL SEC. 28 T19S-R34E LEA CO. NM
2. Elevation above Sea Level: 3691 GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 13,800'

6. Estimated tops of geological markers:

Tansil	3378'	Wolfcamp	10,843'
Queen	4548'	Strawn	12,220'
Delaware Mt Gr.	5459'	Atoka	12,572'
Bone Spring	8123'	Morrow	12,772'

7. Possible mineral bearing formations:

Delaware	Oil	Strawn	Gas
Bone Spring	Oil	Atoka	Gas
Wolfcamp	Oil	Morrow	Gas

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
17½"	0-500'	13 3/8"	48	8-R	ST&C	H-40
12½"	0-5200'	8 5/8"	32	8-R	ST&C	HCK-55, J-5
7 7/8"	0-13,800'	5½"	17	8-R & Buttress	LT&C	S-95, N-80

APPLICATION TO DRILL

CONCHO OIL & GAS CORP.
 CODORNIZ "28" FEDERAL # 2
 UNIT "L" SECTION 28
 T19S-R34E LEA CO. NM

9. CASING CEMENTING & SETTING DEPTH:

20"	Conductor	Set 40' of 20" conductor and cement to surface with Redi-mix.
13 3/8"	Surface	Set 500' of 13 3/8" 48# H-40 ST&C casing. Cement with 200 Sx. of Class "C" Lite cement + additives, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + 1/2# Flocele/Sx. circulate cement to surface.
8 5/8"	Intermediate	Set 5200' of 8 5/8" casing as follows: 2300' of 8 5/8" 32# HCK-55 ST&C, 2900' of 8 5/8" 32# J-55 ST&C. Cement with 1600 Sx. of Class "C" Lite cement + additives, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + 1/2# Flocele/Sx. circulate cement to surface.
5 1/2"	Production	Set 13,800' of 5 1/2" casing as follows: 3700' of 5 1/2" 17# S-95 LT&C, 7600' of 5 1/2" 17# N-80 LT&C, 2500' of 5 1/2" 17# N-80 BUTTRESS THREAD. Cement with 700 Sx. of Class "H" Lite cement + additives, tail in with 700 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 4700' from surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-500'	8.4-8.6	29-32	NC	Fresh water Spud mud add paper to control seepage.
500-5200'	10.1-10.3	29-38	NC	Brine water use paper to control seepage and high viscosity sweeps to clean Hole.
5200-12,800'	9.5-10.0	29-40	NC	Cut Brine using high viscosity sweeps to clean hole.
12,800-13,800'	9.5-10.0	34-40	10 cc or less	Add Polymer to mud system to reduce water loss to the desired level and use high viscosity sweeps to clean hole.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

- A. Open hole logs: Dual Laterolog, SNP, LDT, Gamma Ray Caliper from TD back to 8 5/8" Intermediate casing shoe.
- B. Cased hole logs Gamma Ray, Neutron from 8 5/8" casing shoe back to surface.
- C. Place Mud Logger on hole at 5200±'.
- D. Cores and DST's will be taken at the Geologist's request.

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H₂S detectors will be in place to detect any presence of unsafe levels of H₂S. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operations of all equipment that will be used. Estimated BHP 6000 PSI & estimated BHT 200°.

Roads and location construction will begin after the BLM approves the APD. Anticipated spud date will be as soon as pad & road construction has been completed. Drilling time for the well is estimated to take 60 days. If production casing is run an additional 30 days will be required to complete well and construct surface facilities.

After running production casing, cased hole Gamma-Neutron & Collar logs will be run over all possible pay intervals. If commercial production from the MORROW pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as a gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H₂S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
2. H₂S Detection and Alarm Systems
 - A. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
3. Windsock and/or wind streamers
 - A. Windsock at mudpit area should be high enough to be visible.
 - B. Windsock at briefing area should be high enough to be visible.
 - C. There should be a windsock at entrance to location.
4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H₂S present in dangerous concentration. Only emergency personnel admitted to location.
5. Well control equipment
 - A. See exhibit "E" & "E-1"
6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If the location is near to a dwelling a closed DST will be performed.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

8. Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.
9. If H₂S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H₂S scavengers if necessary.

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SURFACE USE PLAN

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

1. EXISTING ROADS: Area roads, Exhibit "B" is a reproduction of a County General Hiway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
 - A. Exhibit "A" shows the proposed well site location as staked.
 - B. From Hobbs New Mexico take U.S. Hi-way 62-180 West toward Carlsbad New Mexico. Go 24 miles past Mile Post 76 .8 mi turn North on caliche lease road go 1.1 miles turn West go 1900' to location.
2. PLANNED ACCESS ROADS: 1900' of new road will be constructed.
 - A. The access road will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
 - B. Gradient on all roads will be less than 5%.
 - C. Turnouts will be constructed as required or as directed by the BLM.
 - D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. Center line for the new access road has been staked and flagged. Earthwork will be done as required by field and topographic conditions.
 - F. Culverts in the access road will be used where necessary. The road will be constructed to utilize low water crossings for drainage as dictated by the topography.
3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS SHOWN ON EXHIBIT "A-1".

A. Water wells	None known
B. Disposal wells	None known
C. Drilling wells	None known
D. Producing wells	As shown on Exhibit "A-1"
E. Abandoned wells	As shown on Exhibit "A-1"
F. Injection wells	None known

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SURFACE USE PLAN

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

4. If this well is completed as a producer the operator will apply for pipeline R-O-W on a Sundry report if one is required.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.
- D. Waste water from living quarters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

- A. No camps or air strips will be constructed on location.

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SURFACE USE PLAN

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

9. WELL SITE LAYOUT

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

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SURFACE USE PLAN

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

11. OTHER INFORMATION:

- A. Topography consists of sand dunes with a slight dip to the West. Deep sandy soil supports shinny oak, native grasses, and an occasional mesquite tree.
- B. The surface and minerals are owned by The U. S. Department of Interior, and is administered by The Bureau of Land Management. The surface is used for the production of oil and gas in addition to livestock grazing.
- C. An archaeological survey will be conducted on the location and access roads. This report will be filed with The Bureau of Land Management in the Carlsbad field office.
- D. There are no dwellings in the near vicinity of this location.

12. OPERATORS REPRESENTATIVES:

Before construction:

TIERRA EXPLORATION, INC
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

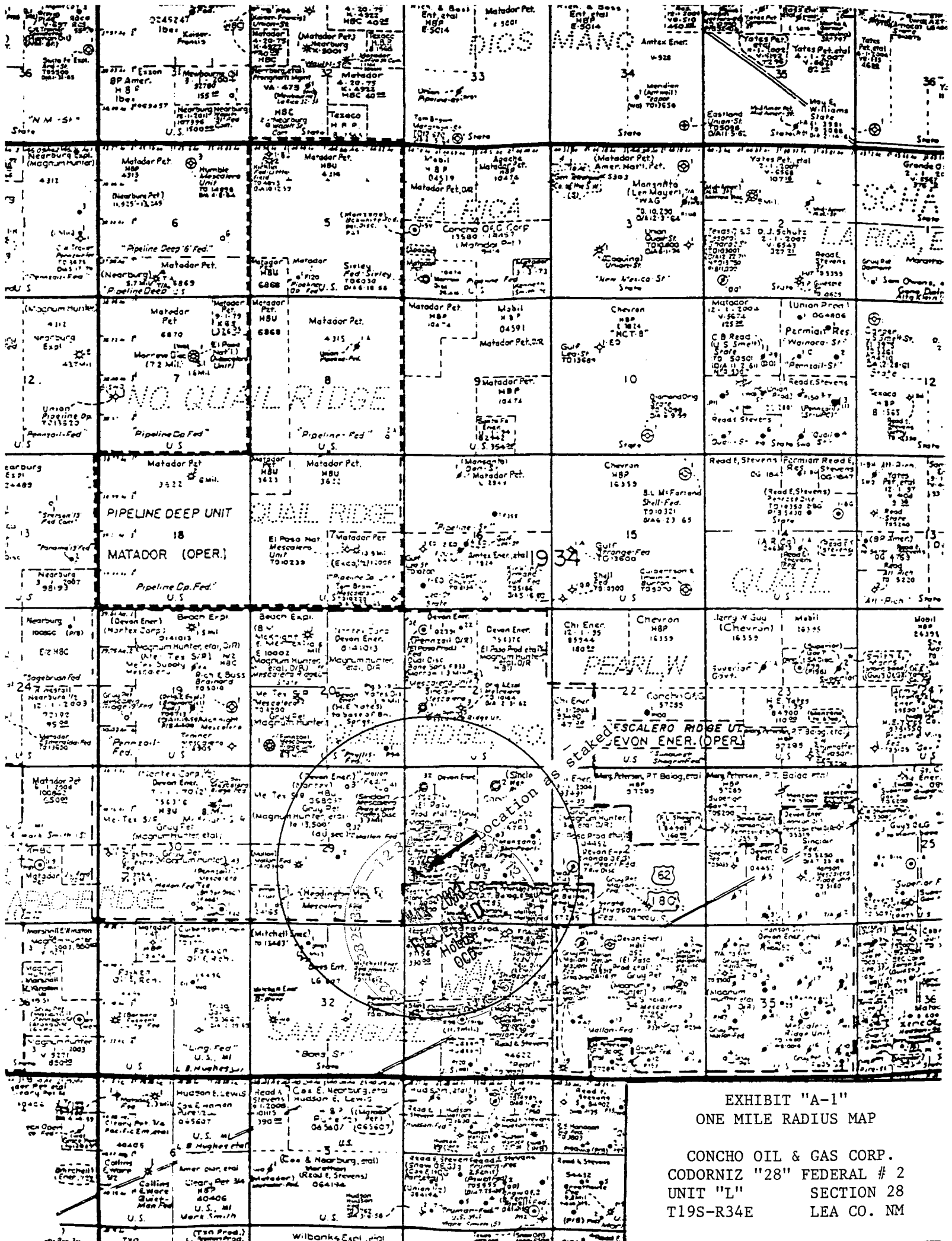
During and after construction:

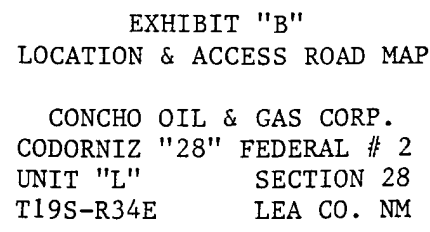
CONCHO OIL & GAS CORP.
110 WEST LOUISIANA SUITE 410
MIDLAND, TEXAS 79701
ERICK NELSON
PHONE 915-683-7443

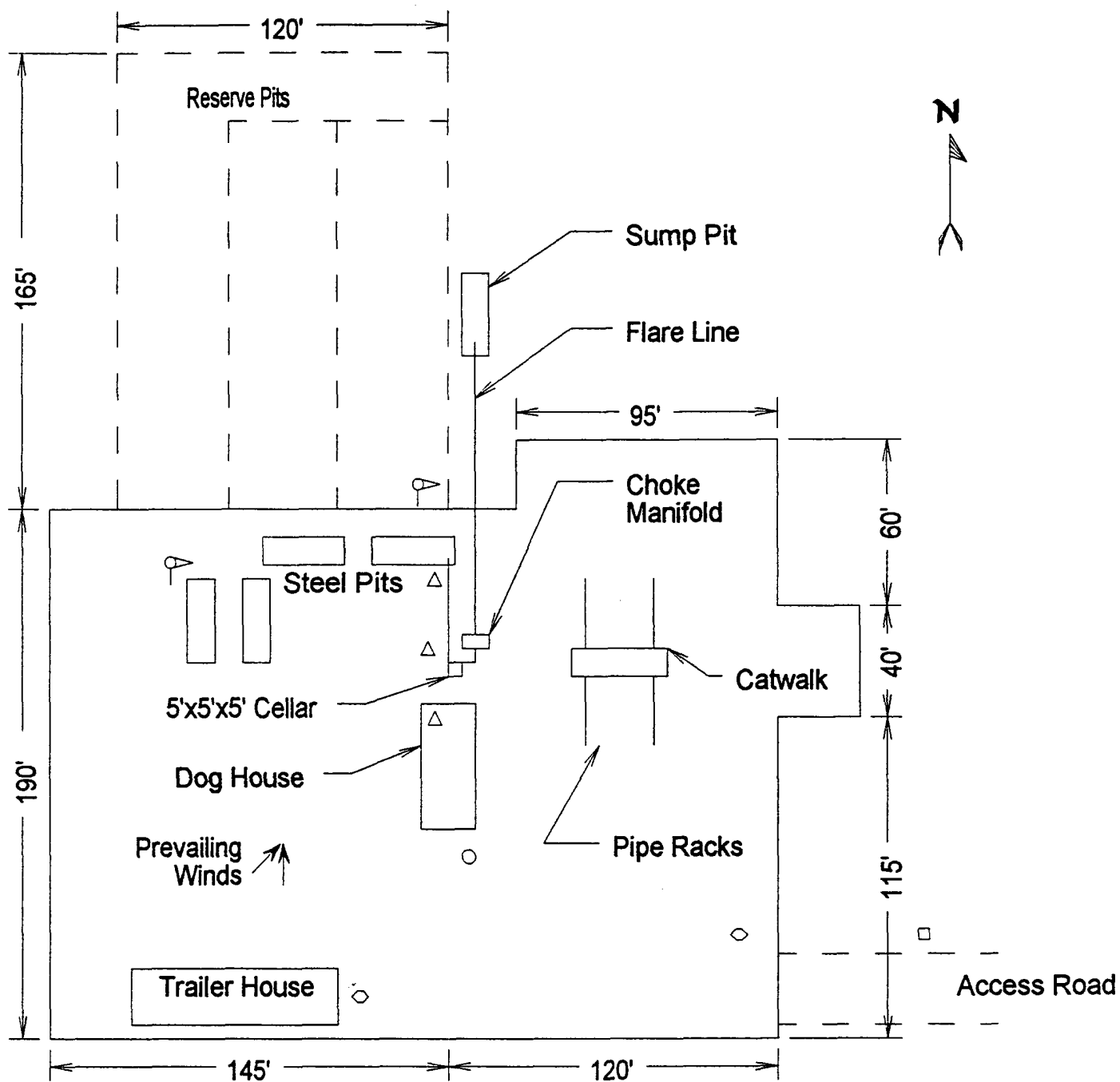
13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge true and correct, and that the work associated with the operations proposed herein will be performed by CONCHO OIL & GAS CORP. it's contractors/subcontractors is in compformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica
DATE : 01/15/03
TITLE : Agent

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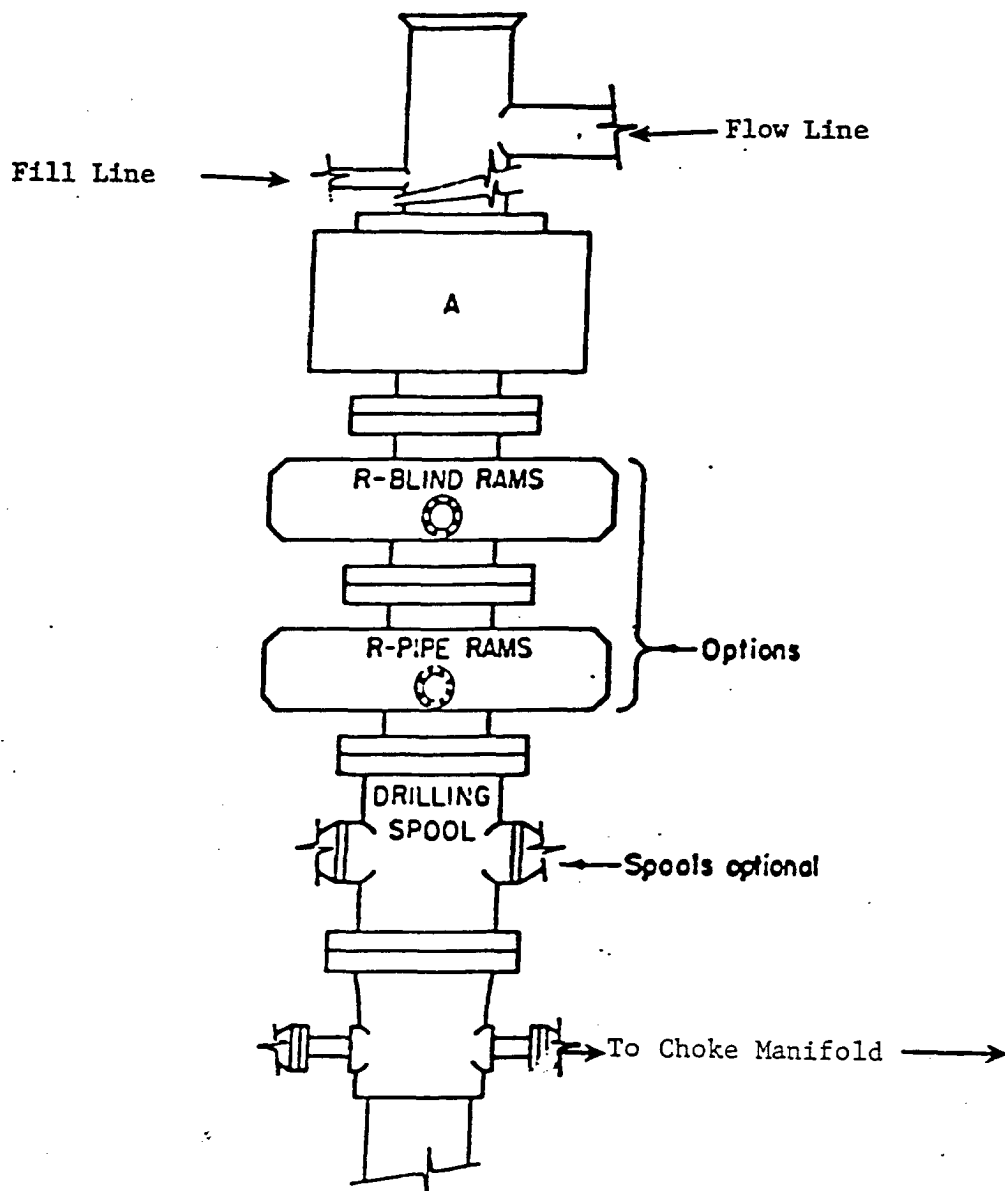


- Wind Direction Indicators
(wind sock or streamers)
- △ H2S Monitors
(alarms at bell nipple and shale shaker)
- ◇ Briefing Areas
- Remote BOP Closing Unit
- Sign and Condition Flags

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EXHIBIT "D"
RIG LAY OUT PLAT

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM



ARRANGEMENT SRRA

1500 Series
5000# Working Pressure

11/19
R-1-10-10
FED
900

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

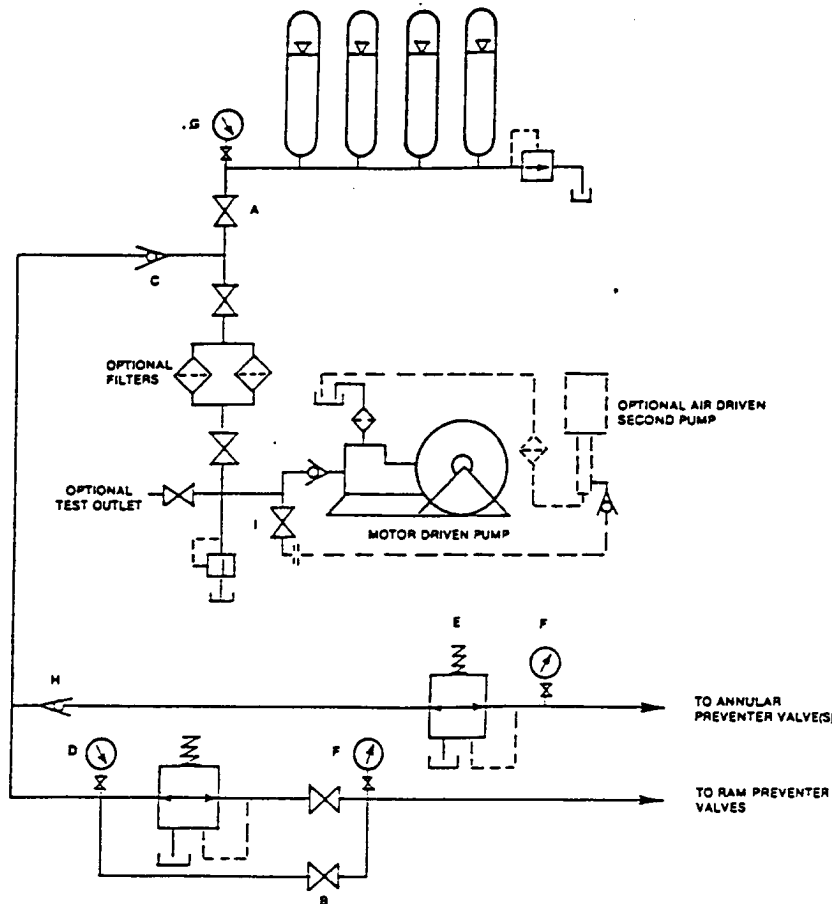


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

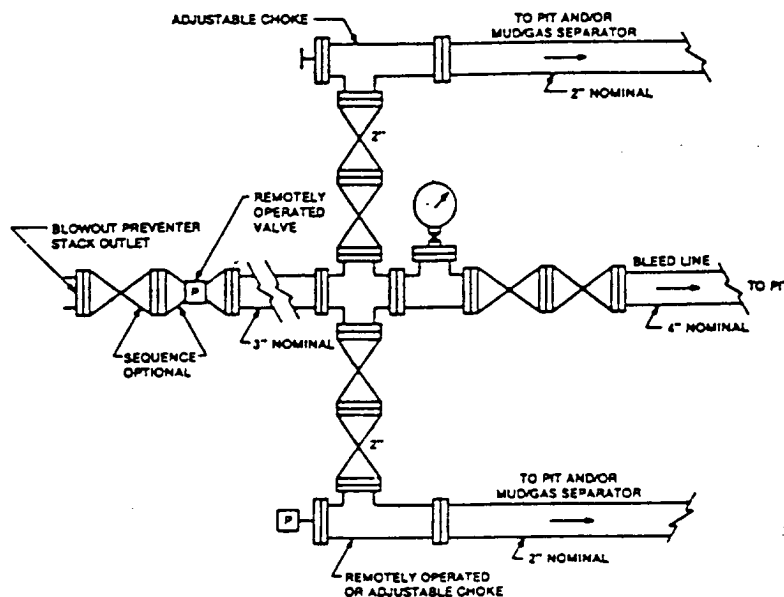


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

CONCHO OIL & GAS CORP.
CODORNIZ "28" FEDERAL # 2
UNIT "L" SECTION 28
T19S-R34E LEA CO. NM

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STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

RECEIVED

2003 JAN 24 AM 9:51

BUREAU OF LAND MANAGEMENT
FORT WORTH, TEXAS

OPERATOR NAME: CONCHO OIL & GAS CORP.

ADDRESS: 110 WEST LOUISIANA
SUITE 410

CITY, STATE, & ZIP: MIDLAND, TEXAS 79701

The above operator accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below.

Lease No: NM-56263

Well name: CODONIZ "28" FEDERAL # 2

Legal Description of land: SW/4 of section 28 T19S-R34E Lea Co. NM

Bond coverage: BLANKET

B.L.M. Bond File No.: NM-27279

FILED
Hobbs
OCD

Authorized Signature

Joe T. Janica

Title: AGENT

Date: 01/23/03