

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 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address CONCHO RESOURCES, INC. 550 W. Texas Ave, Suite 1300 Midland, TX 79701		OGRID Number 193407
		API Number 30-025-36509
Property Code 33205	Property Name SAN SIMON 21 STATE	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	21	21S	35E	E	1650	N	990	W	Lea

Proposed Pools

OSUDO;MORROW, SOUTH (GAS) 82200

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3641
Multiple N	Proposed Depth 12700	Formation Morrow	Contractor	Spud Date 01/15/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1450	1065	0
Int1	12.25	9.625	40	5490	1625	0
Int2	8.75	7	26	10800	625	8600
Prod	6.125	4.5	11.6	12700	300	8600

Casing/Cement Program: Additional Comments

13 3/8 cmt w/765 sx Lite C w/2% CaCl2 & 1/4# FC & 300 sx Cw/2% CaCl2 & 1/4# FC; 9 5/8 cmt d 1)425 sx 50:50:10 PozC Gel w/5% salt, 5# gil & 1/43 FC + 200 sx C; 2) 800 sx 50:50:10 Poz C: Gel w/5% salt, 5# gil & 1/4# FC + 200 sx C w/2% CaCl2. 7 cmt d w/625 sx 50:50:2 Poz H; Gel w/5% salt, 3# gil: 4 1/2 w/300 sx 50:50:2 Poz H Gel w/5% salt 3# gil.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
Annular	1500	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	
Electronically Signed By: Brenda Coffman	
Title: Regulatory Analyst	
Date: 12/16/2003	Phone: 432-685-4373

OIL CONSERVATION DIVISION	
Electronically Approved By: Paul Kautz	
Title: Geologist	
Approval Date: 12/17/2003	Expiration Date: 12/17/2004
Conditions of Approval: No Conditions	

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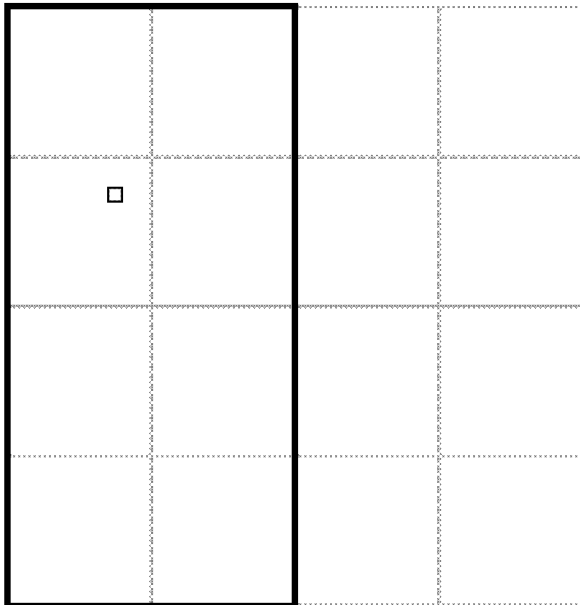
Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36509	Pool Name OSUDO;MORROW, SOUTH (GAS)	Pool Code 82200
Property Code 33205	Property Name SAN SIMON 21 STATE	Well No. 002
OGRID No. 193407	Operator Name CONCHO RESOURCES, INC.	Elevation 3641

Surface And Bottom Hole Location

UL or Lot E	Section 21	Township 21S	Range 35E	Lot Idn E	Feet From 1650	N/S Line N	Feet From 990	E/W Line W	County Lea
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			



OPERATOR CERTIFICATION

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

Electronically Signed By: Brenda Coffman

Title: Regulatory Analyst

Date: 12/16/2003

SURVEYOR CERTIFICATION

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.

Surveyed By: Gary L. Jones

Date of Survey: 11/24/2003

Certificate Number: 7977