

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NM-14790
2. Name of Operator Concho Oil & Gas Corp.	6. If Indian, Allottee or Tribe Name
3a. Address Midland, TX 79701 110 W. Louisiana, Ste 410	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 915/ 683-7443	8. Well Name and No. McKamey Federal #1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2450' FSL & 660' FWL Section 25, T-19S, R-32E L	9. API Well No. 30-025-27740
	10. Field and Pool, or Exploratory Area Lusk Bone Spring, E.
	11. County or Parish, State Lea County, NM

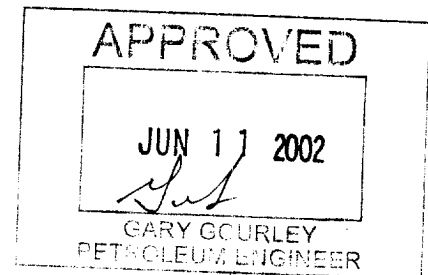
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input 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 recompleat horizontally, give subsurface locations and 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 recompleat 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.)

Request approval to dispose of salt water. Water is produced from the Bone Spring @ 3 BWPD. A current water analysis is attached. The water will be stored in a 200 BBL stock tank and trucked by Plains Marketing to the Halfway Area Well (R-9166) operated by Controlled Recovery, Inc., in the S2/N2 and N2/S2 of Section 27, T-20S, R-32E.

*Line disconnected
-OK*



14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Phyllis A. Edwards	Title Operations Secretary
Signature <i>Phyllis A. Edwards</i>	Date June 4, 2002

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 and Title 43 U.S.C. Section 1212, make 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)

GWV

**MILLER CHEMICALS, INC.**

Post Office Box 298
Artesia, N.M. 88211-0298
(505) 746-1919 Artesia Office
(505) 393-2893 Hobbs Office
(505) 746-1918 Fax

WATER ANALYSIS REPORT

Company : CONCHO OIL & GAS
Address :
Lease : MC KAMEY
Well : #1-Y
Sample Pt. : TREATER

Date : 6-3-02
Date Sampled : 6-3-02
Analysis No. :

ANALYSIS		mg/L		* meq/L
1. pH	6.1			
2. H2S	0			
3. Specific Gravity	1.140			
4. Total Dissolved Solids		207612.7		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	122.0	HCO3	2.0
12. Chloride	Cl	127000.0	Cl	3582.5
13. Sulfate	SO4	1000.0	SO4	20.8
14. Calcium	Ca	9800.0	Ca	489.0
15. Magnesium	Mg	2192.5	Mg	180.4
16. Sodium (calculated)	Na	67497.2	Na	2935.9
17. Iron	Fe	1.0		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		33500.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter		Compound	Equiv wt X meq/L	= mg/L
+-----+	+-----+			
489 *Ca <----- *HCO3	2	Ca (HCO3) 2	81.0	2.0 162
----- /----->	-----	CaSO4	68.1	20.8 1417
180 *Mg -----> *SO4	21	CaCl2	55.5	466.2 25869
----- <-----/	-----	Mg (HCO3) 2	73.2	
2936 *Na -----> *Cl	3583	MgSO4	60.2	
+-----+	+-----+	MgCl2	47.6	180.4 8587
Saturation Values Dist. Water 20 C		NaHCO3	84.0	
CaCO3	13 mg/L	Na2SO4	71.0	
CaSO4 * 2H2O	2090 mg/L	NaCl	58.4	2935.9 171576
BaSO4	2.4 mg/L			

REMARKS:

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2002 JUN -5 AM 9:10
FBI NEW YORK

SCALE TENDENCY REPORT

Company	: CONCHO OIL & GAS	Date	: 6-3-02
Address	:	Date Sampled	: 6-3-02
Lease	: MC KAMEY	Analysis No.	:
Well	: #1-Y	Analyst	: JR. GARCIA
Sample Pt.	: TREATER		

STABILITY INDEX CALCULATIONS (Stiff-Davis Method) CaCO3 Scaling Tendency

S.I. =	0.0	at	70 deg. F	or	21 deg. C
S.I. =	0.1	at	90 deg. F	or	32 deg. C
S.I. =	0.1	at	110 deg. F	or	43 deg. C
S.I. =	0.1	at	130 deg. F	or	54 deg. C
S.I. =	0.2	at	150 deg. F	or	66 deg. C

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS (Skillman-McDonald-Stiff Method) Calcium Sulfate

S =	1669	at	70 deg. F	or	21 deg C
S =	1793	at	90 deg. F	or	32 deg C
S =	1878	at	110 deg. F	or	43 deg C
S =	1912	at	130 deg. F	or	54 deg C
S =	1914	at	150 deg. F	or	66 deg C

Respectfully submitted,
JR. GARCIA

RECEIVED
MAR 20 1955 PM 9:10
U.S. AIR FORCE

The following information is needed before your disposal of produced water can be approved, per Onshore Oil & Gas Order #7.

You may attach this information to your Sundry Notice (3160-5). Submit all required information as per this attachment, submit a Sundry Notice(3160-5), one original and five copies to this office within the required time.

1. Name(s) of all formation(s) producing water on the lease. Bone Spring
2. Amount of water produced from all formations in barrels per day. 3 BOPD
3. A CURRENT water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. Attached
4. How water is stored on the lease. 200 bbl tank
5. How water is moved to the disposal facility. trucked by PLAINS MARKETING
6. Identify the Disposal Facility by:
 - A. Operators' Name Controlled Recovery Inc.
 - B. Well Name Halfway Disposal Well
 - C. Well type and well number SND
 - D. Location by quarter/quarter, section, township, and range S2/N2 + N2/SS, sec 27 T-20S, R-32E
7. A copy of the Underground Injection Control Permit - issued for the injection well by the Environmental Protection Agency or New Mexico Oil Conservation Division where the State has achieved primacy.

R-9166

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