New Mexico Oil Composition Division 1825 N. Fredericates 1825 N. Fredericates citions on DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0136

	xpires:	Leptz	ry 21	3, 1995	
LEASE	DESIGN	ATION	AND	BERIAL	_

	2005				1	5. LEASE DESIGN	ATION AN	ID SERIAL WO
	BUREAU	OF LAND MANA	GEMENT			LCMM-0605	49	
APPI	LICATION FOR	PERMIT TO	DRILL OR DE	EPEN		6. IF INDIAN, AL	LOTTER OF	E TRIBE NAME
1a. TIPE OF WORK								
	RILL 🖾	DEEPEN				7. UNIT AGREEM	MAK THE	3
OIL X	CAS		BINGLE X	MULTIPLE	_			
2. NAME OF OPERATOR	WELL CTHEE		ZONE A	ZONE		8. FARM OR LEASE N.		
					-	TROLL "10"	FEDER	\al # 1
3. ADDRESS AND TELEPHONE H	GAS CORP.	(915-683-744	43) ERICK NE	LSON		2	_ ^ _	
110 WEST LOU	JISIANA SUITE	410 MIDLAND.	TEXAS (915	-683-7443`	\	10. FIELD AND P	-36 02	034 TILDULE
4. LOCATION OF WELL (At surface	Report location clearly a	ind in accordance wi	th any State requireme	ents.")		TONTO-SEVE		_
	310' FWL SEC. 1	O T19S-R33E	LEA CO. NM			11. SEC., T., R., M	OR RIX	
At proposed prod. 20	one SAME	4 1				AND SURVEY		
•		\mathcal{X}				SECTION 10) 119	15-K33E
14. DISTANCE IN MILES	AND DIRECTION FROM N	EAREST TOWN OR POS	T OFFICE*			12. COUNTY OR P.	RISE 1	3. STATE
Approximatel	y 35 miles Sout	h west of Hob	obs New Mexico	•		LEA CO.	N.	EW MEXICO
15. DISTANCE FROM PRO- LOCATION TO NEARE PROPERTY OR LEASE (Also to nearest dr	ST	330'	16. NO. OF ACRES IN 640	LEASE 17.		F ACRES ASSIGNED IS WELL 40		<u> </u>
S. DISTANCE FROM PRO	DOSED LOCATION® DRILLING, COMPLETED,		19. PROPOSED DEPTH	20.	ROTAR	I OR CABLE TOOLS		
OR APPLIED FOR, ON T		NA	3900 '		ROTARY			
21. ELEVATIONS (Show w.	hether DF, RT, GR, etc.)	3679' GR.	·			22. APPROX. DAT	E WORK	WILL BTART*
	·	30/9 GR.	Czaffen Controll	d Water Ca	39	WHEN APPR	OVED	
3.		PROPOSED CASE	NG AND CEMENTING	PROGRAM		-		
SIZE OF HOLE	GRADE, STZE OF CASING	WEIGHT PER FO	OOT SETTING D) EPTH		QUANTITY OF C	THEME	
25"	20"	NA NA	40'	Cem	ent	to surface	with	Redi-miv
12½"	J-55 8 5/8"	24	1500'			Circulate		
7 7/8''	J-55 5½"	15.5	3900'			Top of cer		
	hole to 40'. Set							
111th 850 C	e oa fallarra. K	450 Cm of 35	165 Class "C"	DO7 1 69	$C \circ 1$	11/1 Flocol	1/54	± 2%

- with 850 Sx. as follows: 650 Sx. of 35/65 Class "C" POZ + 6% Gel +½# Flocele/Sx. + 2% CaCl, tail in with 200 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
- 3. Drill 7 7/8" hole to 3900'. Run and set 3900' of $5\frac{1}{2}$ " 15.5# J-55 ST&C casing. Cement with 400 Sx. of 50/50 POZ Class "C" cement + 10 % Gel + 5% Salt + 3# Gilsonite/Sx. + $\frac{1}{2}$ # Flocels/Sx. , tail in with 300 Sx. of Class "C" + dispersant + fluid loss additive, + 5% Salt. Top of cement 1000' from surface.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

IN 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

SIGNED JOSE T CONTRACTIFIE Agent	09/17/02 DATE
(This space for Federal or State office use) PERMIT NO	OPER. OGRID NO. <u>193407</u> PROPERTY NO. <u>30693</u>
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the conditions of APPROVAL IF ANY:	EFF. DATE /L - J/-C-
OTINA	APINO. 37-125-36034

ISI JOE G. LARA

FIELD MANAGER

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

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

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

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87505

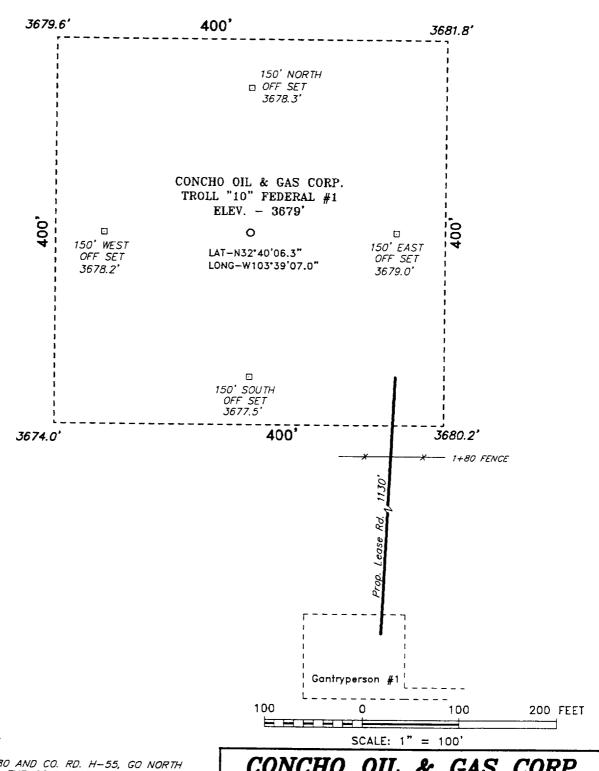
☐ AMENDED REPORT

		,	WELL LO	CATION	AND ACREA	AGE DEDICATI	ON PLAT		
4°) -	Number 35-3	6034		Pool Code 70]	CONTO-SEVEN R	Pool Name IVERS	· · · · · · · · · · · · · · · · · · ·	
Property Code				Property Name TROLL "10" FEDERAL			Well Number		
0GRID No. 193407				CONC	-	Operator Name OIL & GAS CORP.		Elevation 3679'	
					Surface Loc	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	19 S	33 E		330	SOUTH	2310	WEST	EDDY
			Bottom	Hole Loc	cation If Diffe	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acre	B Joint o	r Infill Co	nsolidation (Code Ore	der No.		L	<u> </u>	<u> </u>

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

	OPERATOR CERTIFICATION
	I hereby certify the the information contained herein is true and complete to the
	best of my knowledge and belief. Signature
	Joe T. Janica Printed Name
	Agent
	09/17/02 Date
	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 supervison and that the same is true and correct to the best of my belief
	AUGUST 30, 2002
330.	Signature & Seal of Professional Surveyor
3679.6' 536818' LAT-N32*40'06.3" LONG-W103*39'07.0"	W.O. No. 2711A Continuete No. Gary L. Jones 7977 BASIN SURVEYS

SECTION 10, TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY. NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE US HWY 62/180 AND CO. RD. H-55, GO NORTH ON H-55 FOR 4.2 MILES; THENCE EAST FOR 0.1 MILE; THENCE NORTH FOR 1.4 MILE; THENCE WEST FOR 0.5 MILE TO THE GANTRY PERSON #1 AND PROPOSED LEASE ROAD.

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

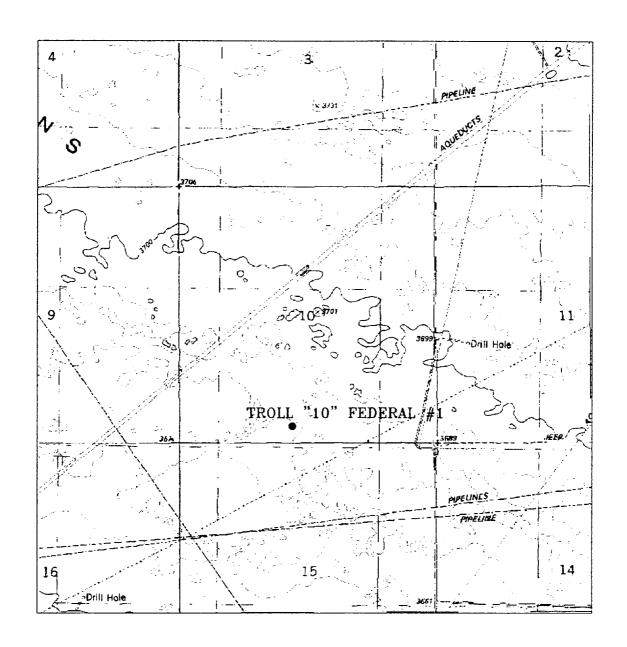
W.O. Number: 2711 Drawn By; K. GOAD Date: 09-04-2002 Disk: KJG CD#4 -2711A.DWG

CORP. & GAS

REF: TROLL "10" FEDERAL No. 1 / Well Pad Topo

THE TROLL "10" FEDERAL No. 1 LOCATED 330' FROM THE SOUTH LINE AND 2310' FROM THE WEST LINE OF SECTION 10, TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

Sheet Survey Date: 08-30-2002



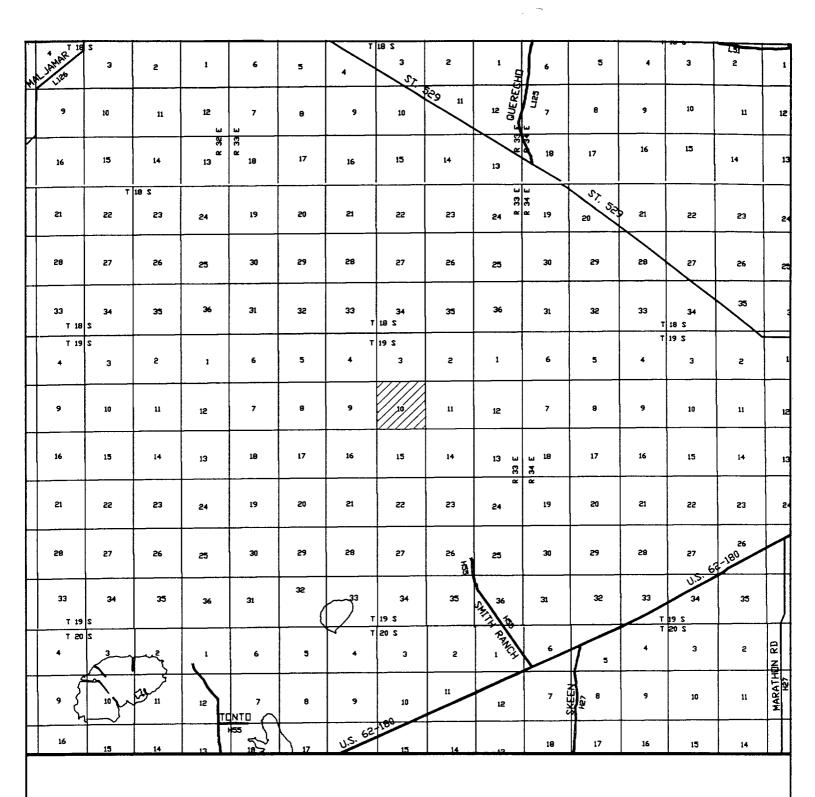
TROLL "10" FEDERAL #1
Located at 330' FSL and 2310' FWL
Section 10, Township 19 South, Range 33 East,
N.M.P.M., Lea County, New Mexico.



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:	2711AA - KUG CD#5
Survey Date:	08-30-2002
Scale: 1" = 20	000'
Date: 09-04-	-2002

CONCHO OIL & GAS CORP.



TROLL "10" FEDERAL #1
Located at 330' FSL and 2310' FWL
Section 10, Township 19 South, Range 33 East,
N.M.P.M., Lea County, New Mexico.



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:	2711AA - KJG CD#5
Survey Date:	08-30-2002
Scale: 1" = 2	MILES
Date: 09-04-	-2002

CONCHO
OIL & GAS
CORP.

APPLICATION TO DRILL

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E 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.

- I. <u>Location:</u> 330' FSL & 2310' FWL SEC. 10 T19S-R33E LEA CO. NM
- 2. Elevation above Sea Level: 3679' GR.
- 3. Geologic name of surface formation: Quaternery Aeolian Deposits.
- 4. <u>Drilling tools and associated equipment:</u> Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
- 5. Proposed drilling depth: 3900'
- 6. Estimated tops of geological markers:

Rustler Anhydrite	1400'	Yates	3300'
Tansill	3100'	Seven Rivers Queen	3650'

7. Possible mineral bearing formations:

Yates

Oil

Seven Rivers Queen

Oil

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25''	0-40	20"	NA	NA	NA	Conductor
121/4'	0-1500'	8 5/8"	.24	8-R	ST&C	J-55
7 7/8"	0-3900'	5½"	15.5	8-R	ST&C	J-55

APPLICATION TO DRILL

CONCHO OIL & GAS CORP. TROLL "10" FEDERAL # 1 UNIT "N" SECTION 10 T19S-R33E LEA CO. NM

9. CEMENTING & SETTING DEPTH:

20''	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
8 5/8''	Surface	Set 1500' of 8 5/8" 24# J-55 ST&C casing. CEment with 650 Sx. Class "C" 35/65 POZ cement + 6% Gel + 2% CaCl + ½# Folcele/Sx., tail in with 200 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
5½''	Production	Set 3900' of $5\frac{1}{2}$ " 15.5# J-55 ST&C casing. CEment with 400 Sx of Class "C" 50/50 POZ + 10% Gel + 5% Salt, + 3# Gilsonite /Sx. + $\frac{1}{2}$ # Flocele/Sx. tail in with 300 Sx. of Class "C" cement + fluid loss + dispersant + 5% Salt. Estimate top of cement 1000' from surface.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 900 Series 3000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rans and bottom pipe rams. The B.O.P. will be nippled up on the 8 5/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rans will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhib "E-1" shows a hydraulically operated closing unit and a 2" 3000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MOD WT.	VISC.	······FLUID LOSS	S TYPE MUD SISTEM
40-1500'	8.4-8.8	29-33	NC	Fresh water Spud mud add paper to control seepage use high viscosity sweeps to clean hole.
1500-3600'	9.9-10.1	29-36	NC	Brine water use high viscosity sweeps to clear hole.
3600-3900'	9.9-10.2	32-39	15 cc cr less	Brine water use Gel for viscosity and starch for water loss control.

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.

APPLICATION TO DRILL

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E LEA CO. NM

12. TESTING, LOGGING, & COREING PROGRAM:

- A. Open hole logs: Run Dual Laterolog, SNP, LDT, Gamma Ray, Caliper from TD back to 1500'. Run Gamma Ray Neutron from 1500' back to surface.
- B. No cores, DST's are planned at this time.
- C. No mud logger is planned at this time.

13. POTENTIAL FAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, $\rm H_2S$ detectors will be in place to detect any presence of unsafe levels of $\rm H_2S$. 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 $\underline{\rm 1500}$ PSI & estimated BHT 120°

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

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 18 days. If production casing is run an additional 20 days will be required to complete well and construct surface facilities.

15. OTHER FACETS OF OPERATION:

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

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified ${\rm H}_2{\rm S}$ safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazzards
 - 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 telephoned 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.

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If $\rm H_2S$ is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with $\rm H_2S$ scavengers if necessary.

SURFACE USE PLAN

CONCHO OIL & GAS CORP. TROLL "10" FEDERAL # 1 UNIT "N" SECTION 10 T19S-R33E LEA CO. NM

- 1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing 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 as staked.
 - B. From Hobbs New Mexico take U.S. Hi-way 62-180 West toward Carlsbad New Mexico go 30 miles to Smith Ranch road turn North go 2.2 miles bear Left follow caliche road Northwest approximately 2 miles turn North go 1.8 miles turn West go by wells 4,3, & Gantryperson # 1 continue West to well # 2.
 - C. Lay flowline and construct powerline along lease road as shown on Exibit "F". TB. I oth-kesse Requires Sundry approved the
- 2. PLANNED ACCESS ROADS: Aproximately 1500' of new road will be constructed.
 - A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
 - B, Gradient of all roads will be less than 5.00%.
 - C. If turn-outs are necessary they will be constructed.
 - D. If needed roads will be surfaced with a mimimum of 4" of caliche. This material will be obtained from a local source.
 - E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.
 - F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.
- 3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. 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"

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E LEA CO. NM

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "F".

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 quaters will be drained into holes with a minimum 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.

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E 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, 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.

CONTROL OFF LEWI

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E LEA CO. NM

11. OTHER INFORMATION:

- A. Topography consists of sand dunes with a slight dip to the West. Deep sandy soil supports shinnery oak, native grasses, and an occasional mesquite tree.
- B. Surface is owned by the U.S. Government and is administered by the Bureau of Land Management. The surface is used for grazing livestock and the production of oil and gas.
- 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 REPRESENTIVES:

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:

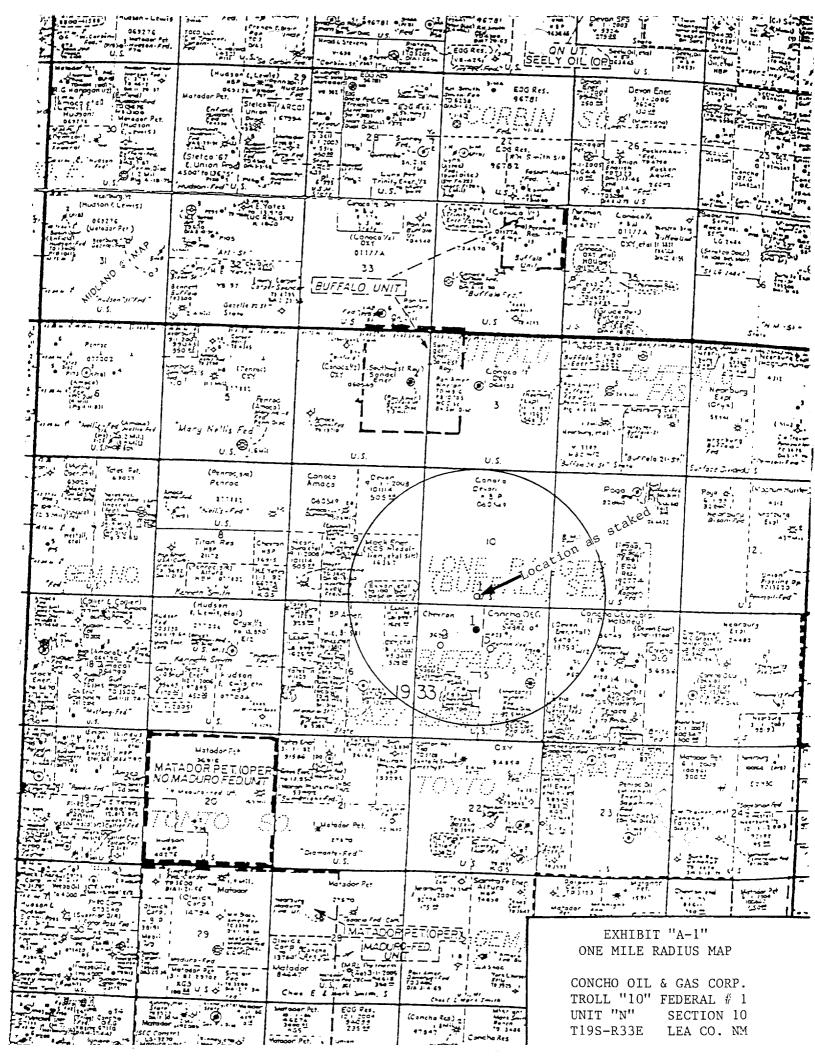
CONCHO OIL & GAS CORP. 110 WEST LOUISIANS SUITE 410 MIDLAND, TEXAS 79701 ERICK NELSON OFFICE PHONE 915-683-7443

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 fimiliar 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.

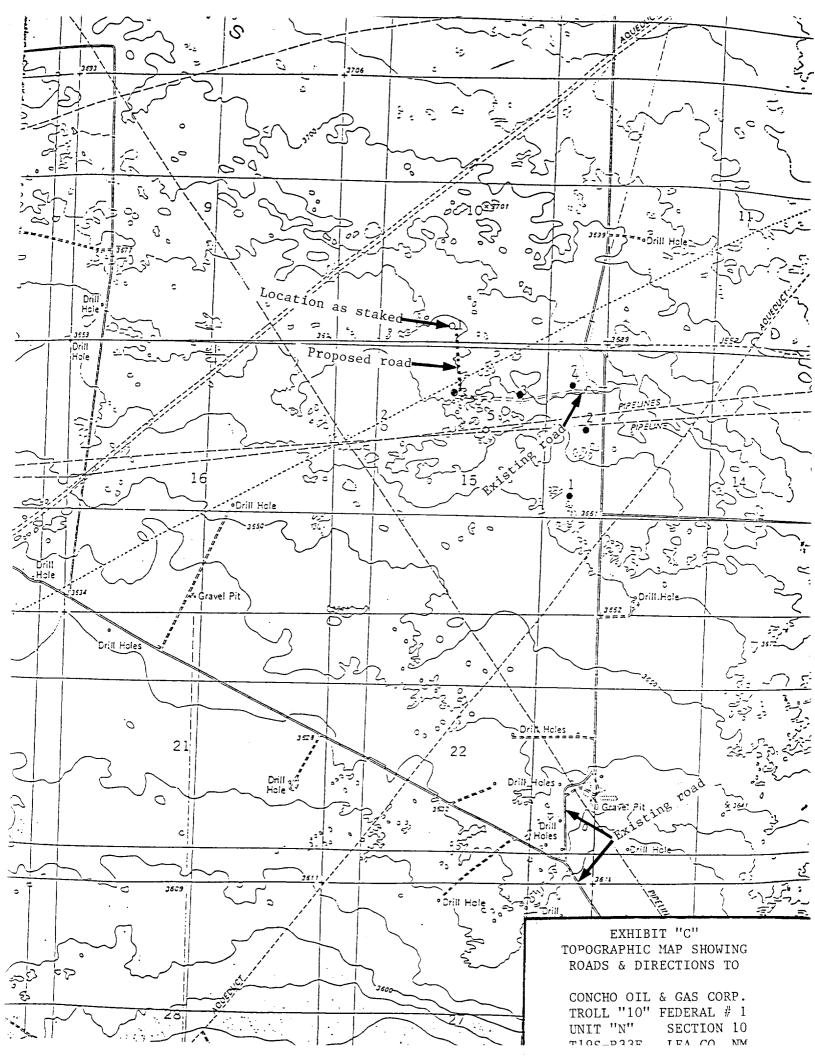
NAME : Joe T Janica

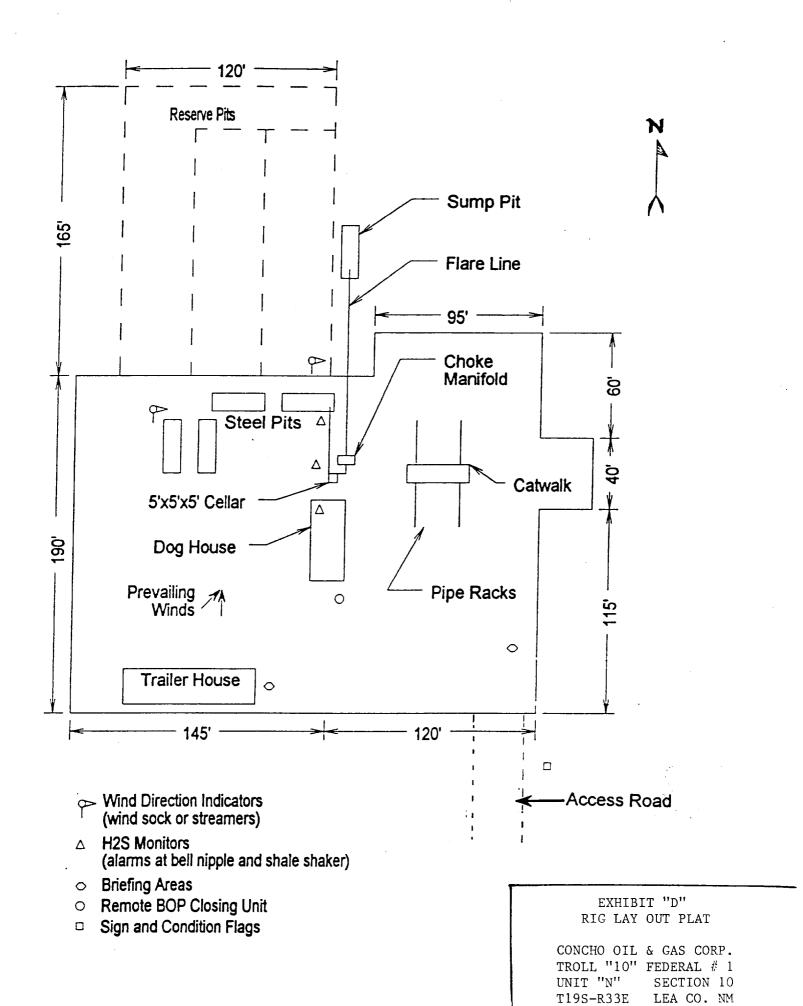
DATE : 09/17/02

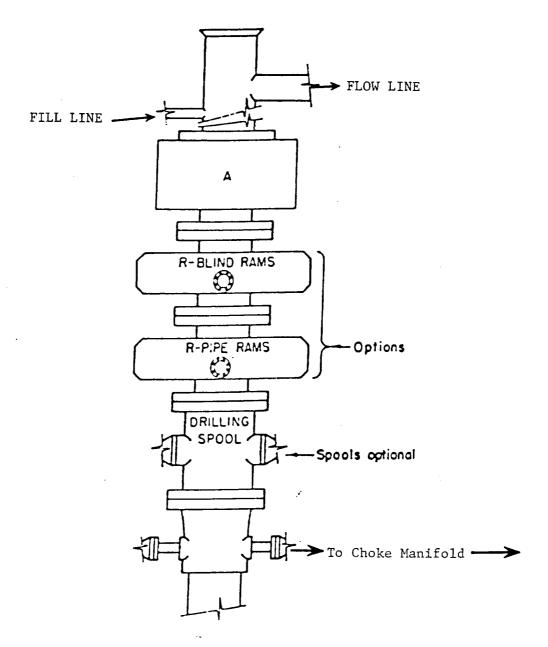
TITLE : Agent











ARRANGEMENT SRRA

900 Series 3000 PSI WP

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

CONCHO OIL & GAS CORP.
TROLL "10" FEDERAL # 1
UNIT "N" SECTION 10
T19S-R33E LEA CO. NM



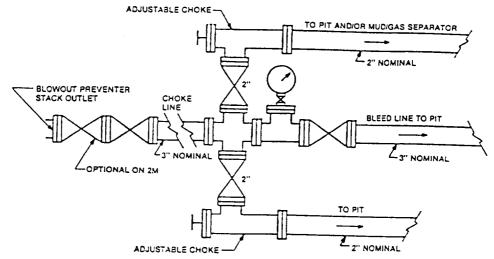


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service - surface installation.

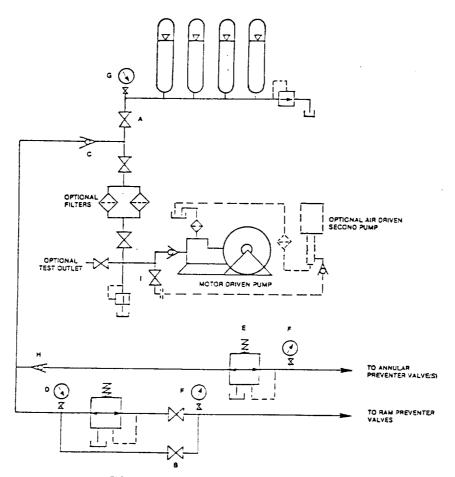
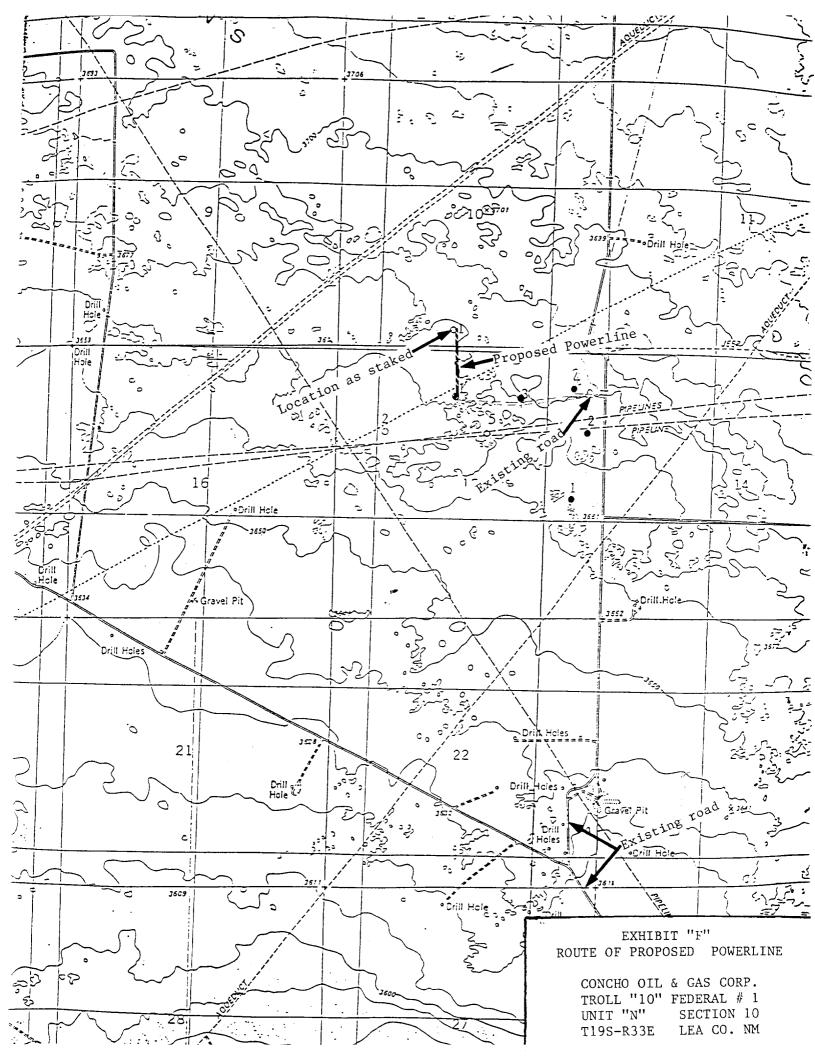


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

EXHIBIT "E-1" CHOKE MANIFOLD & CLOSING UNIT

> CONCHO OIL & GAS CORP. TROLL "10 " FEDERAL # 1 UNIT "N" SECTION 10 T19S-R33E LEA CO. NM



UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management **Roswell Field Office** 2909 West Second Street Roswell New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name

CONCHO OIL & GAS CORP.

Street or Box

110 W. LOUISIANA, SUITE 410

City, State

MIDLAND, TEXAS

Zip Code

79701

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

Lease No.: LC-060549

Legal Description of Land:

INSOFAR AS SAID LEASE COVERS:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M.

SECTION 10: S/2S/2

Formation(s) (if applicable): SEVEN RIVERS

Bond Coverage (State if individually bonded or another's bond): INDIVIDUALLY

BLM Bond File No.: NM 2611

CONCHO OIL & GAS CORP.

Authorized Signature: W

Van Rodgers Land Manager

Date: September 26, 2002