

New Mexico Oil and Gas
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Hobbs, NM 88240FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		617		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. NAME OF OPERATOR CONCHO OIL & GAS CORP. (915-683-7443) ERICK NELSON				
3. ADDRESS AND TELEPHONE NO. 110 WEST LOUISIANA SUITE 410 MIDLAND, TEXAS (915-683-7443)				
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 990' FNL & 2310' FWL SEC. 15 T19S-R33E LEA CO. NM At proposed prod. zone SAME				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Unit C Approximately 35 miles Southwest of Hobbs New Mexico				
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		16. NO. OF ACRES IN LEASE		
330'		320		
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH		
2300'		3900'		
21. ELEVATIONS (Show whether DF, RT, GR, etc.)		20. ROTARY OR CABLE TOOLS		
3676' GR.		ROTARY		
23. PROPOSED CASING AND CEMENTING PROGRAM		22. APPROX. DATE WORK WILL START WHEN APPROVED		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	20"	NA	40'	Cement to surface with Redi-mix
12 1/4"	J-55 8 5/8"	32	1500'	850 Sx. Circulate cement.
7 7/8"	J-55 5 1/2"	15.5	3900'	700 Sx. Top of cement 1000' FS.

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 12 1/4" hole to 1500'. Run and set 1500' of 8 5/8" 32# J-55 ST&C casing. Cement with 850 Sx. as follows: 650 Sx. of 35/65 Class "C" POZ + 6% Gel + 1/4# 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 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. + 1/4# Floceles/Sx. , tail in with 300 Sx. of Class "C" + dispersant + fluid loss additive, + 5% Salt. Top of cement 1000' from surface.

Captive Controlled Water Back

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED <u>East Jessica</u> TITLE <u>Agent</u> DATE <u>05/22/02</u>	
(This space for Federal or State office use)	
PERMIT NO. _____	APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject	
CONDITIONS OF APPROVAL, IF ANY:	
APPROVED BY <u>/s/ Mary J. Rugwell</u>	TITLE <u>FIELD MANAGER</u>
DATE <u>JUN 28 2002</u>	
*See Instructions On Reverse Side	

OPER. GRID NO. 193407
PROPERTY NO. 29887
POOL CODE 59470
EFF. DATE 7-1-02
API NO. 30-025-35943

APPROVAL FOR 1 YEAR

