United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. P. O. Box 1778 Carlsbad, New Mexico 88221-1778

IN REPLY REFER TO:

3162.4 LC-029387-B, NM-96211, NM-94835, NM-0554477-A, NM-97118, NM-97119, NM-96207, NM-94838, NM-96222, NM-65408,

NM-81633, NM-95642, NM-96239

DEC -7 2000

Concho Resources Inc. 110 W Louisiana Ste 410 Midland, Texas 79701

Dear Operator:

Your Application for Permit to Drill (APD), for the following wells has expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

LC-029387-B 6-West Shugart 30 Fed. 1980'/N & 2080'/E Sec. 30-T18S-R31E approved 4/2/97 and extension 5/19/99

LC-029387-B 7-West Shugart 30 Fed. 660'/N & 1980'/W Sec. 30-18S-R31E approved 4/23/97 and extension 5/18/99

LC-029387-B 8-West Shugart 30 Fed. 1880'/N & 660'/W Sec. 30-T18S-R31E approved 4/23/97 and extension 5/19/99

NM-96211 1-Wright Federal SWD 660'/S & 1980'/E Sec. 6-T20S-R28E approved 4/19/99

NM-94835 1-Peregrine 17 Fed. Com. 1650'/S & 990'/E Sec. 17-T21S-R25E approved 2/3/98 and extension approved 1/13/99

NM-0554477-A 2-Filaree 24 Fed Com 1880'/N & 1880'/W Sec. 24-T22S-R25E approved 8/18/97 and extension approved 8/30/99

NM-97118 2-Hackberry 29 Fed 2210'/S & 2310'/E Sec. 29-T22S-R26E approved 2/19/97 and extension approve 1/13/99

NM-97119 5-Hackberry 29 Fed 1880'/N & 1650'/W Sec. 29-T22S-R26E approved 1/14/99

NM-96207 2-Indian Draw '13' Fed 1980'/N & 660'/E Sec. 13-M22S-R27E approved 5/20/98 and extension 5/19/99

DIOV CO