

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CONCHO RESOURCES INC.

3. Address and Telephone No.

110 W. LOUISIANA STE 410; MIDLAND, TX 79701 (915) 683-7443

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 660' FWL, SEC. 15, 23S, 32E.

5. Lease Designation and Serial No.

NM 95642

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Tomcat '15' Federal #3

9. API Well No.

10. Field and Pool, or Exploratory Area

Diamondtail Bone Spring

11. County or Parish, State

Lea, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

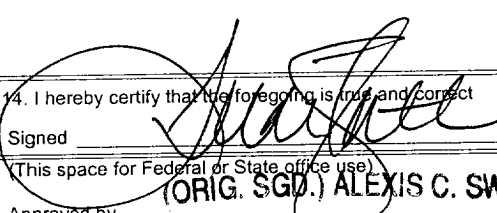
- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Concho Resources Inc. respectfully requests an exception to the 1230' of surface pipe stipulation on the above federal well. We are proposing to set the 13-3/8" casing @ 650'. Subsequent discussion with BLM personnel indicate that the 650' proposed is acceptable with certain "Conditions of Approval" (attached) that Concho agrees to abide by. Fresh water spud mud will be utilized to drill down to the proposed surface pipe point of 650' and be maintained down to the first salt in the Rustler Formation before changing to a brine system. Drilling paper will be utilized to minimize seepage into the red beds and no caustics or lime will be utilized until the Rustler formation is reached.

14. I hereby certify that the foregoing is true and correct

Signed  Title Production Analyst Date 04/19/01

(This space for Federal or State office use)

(ORIG. SGD.) ALEXIS C. SWOBODA

Title PETROLEUM ENGINEER

Date APR 21 2001

Approved by
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

Conditions of Approval

Drilling Fluids, Casing and Cementing Requirements for Most of Lea County:

Casing and Cementing

Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. In areas where the salt section (Salado) is present, surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.

As an alternative, surface casing may be set through the Santa Rosa Formation or other potable water bearing zones and circulate cement to surface. For wells requiring an intermediate casing string, such string shall be cemented to the ground surface. In the case where intermediate casing is not required the operator shall case and cement the production hole to the ground surface.

While drilling from the surface casing to the Rustler fm it is recommended that operators periodically sweep the hole with viscous low water loss pills to help build a filter cake across useable water zones in the redbeds.

Drilling Fluid

Fresh water or fresh water spud mud shall be used to drill to surface casing depth. If surface casing is set at a lesser depth than the top of the Rustler fm., fresh water spud mud may be used to drill down to the first salt in the Rustler Fm. after which brine or fresh water may be used.

Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into the redbeds.

Two to five percent diesel or crude oil may be used in the redbed section in order to control heaving shales and mudstones.

Caustics and Lime shall not be used in the red beds but may be added when the Rustler formation is reached. However, sodium carbonate may be used for alkalinity or ph control while drilling the redbeds above the Rustler fm.

Additionally, questions of whether an additive may be used should be referred to the Roswell Field office.