Form 3160-5 (June 1990)	UNITED DEPARTMENT O BUREAU OF LANI	F THE INTERIOR	1625 N. Fre	5. Lease Designation and Serial No. NM 86153
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				6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE				7. If Unit or CA, Agreement Designation
1. Type of Wel! Gas Well Gas Well Other 2. Name of Operator				8. Well Name and No. Tomcat '21' Federal #8
CONCHO RESOURCES INC. 3. Address and Telephone No. 110 W. LOUISIANA STE 410; MIDLAND, TX 79701 (915) 683-7443				9. API Well No. 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 660' FWL, SEC. 21, 23S, 32E.				 <u>Sand Dunes Bone Springs</u> 11. County or Parish, State Lea, NM
12. CHECK A	PPROPRIATE BOX(s) TO	INDICATE NATURE OF NO	TICE, REPORT, OF	R OTHER DATA
TYPE OF S	TYPE OF SUBMISSION TYPE OF ACTION			
	ent Report	Abandonment Recompletion Plugging Back Casing Repair		Change of Plans New Construction Non-Routine Fracturing Water Shut-Off
L Final Aba	ndonment Notice	Altering Casing Other		Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
directionally drilled, give Concho Resources Ir proposing to set the 1 certain "Conditions of proposed surface pipe	subsurface locations and measured an c. respectfully requests an exce 3-3/8" casing @ 650'. Subsequ Approval" (attached) that Conc a point of 650' and be maintaine	bertinet details, and give pertinent dates d true vertical depths for all markders a eption to the 1200' of surface pip uent discussion with BLM persor ho agrees to abide by. Fresh we d down to the first salt in the Ru o the red beds and no caustics o	nd zones pertinent to this wo be stipulation on the abo nnel indicate that the 65 ater spud mud will be u istler Formation before	ork.)* ove federal well. We are 50' proposed is acceptable with itilized to drill down to the changing to a brine system.
/	A			
14. I hereby certify that the f	Uttle	Title Production Analyst		Date04/19/01
(This space for Sederal or S ORIG. S	tate office use) SGR.) ALEXIS C. SWOBOD/		MENGINEER	APR 2 4 2/101

Approved by (ORIG. SGI0.) ALEXIS C. SWOBODA Title Conditions of approval, if any:

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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 Comenting

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 coment to surface. For wells requiring an intermediate casing string, such string shall be comented to the ground surface. In the case where intermediate casing is not required the operator shall case and coment 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 them the top of the Rustler fin., fresh water spud mud may be used to drill down to the first salt in the Rustler Fin. 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 scepage into the redbeds.

Two to five percent desiel 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 fomation is reached. However, sodium carbonate maybe 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.

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