

N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address LCX ENERGY, LLC. 110 NORTH MARTENFELD SUITE 200 MIDLAND, TEXAS 79701		RECEIVED JUL 28 2005 OCD-ARTESIA	2 OGRID Number 218885 3 API Number 30 - 015-34248
Property Code 34966	Property Name 1724 KINCAID	Well No. 111	
Proposed Pool 1 WILDCAT-WOLFCAMP 96086		Proposed Pool 2	

Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	17S	24E		660'	NORTH	760'	WEST	EDDY CO.

Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	17S	24E		660'	SOUTH	760'	WEST	EDDY CO.

Work Type Code N		Well Type Code G		Cable/Rotary ROTARY		Lease Type Code P		Ground Level Elevation 3702'	
Multiple NO		Proposed Depth TVD-4940' MD-8790'		Formation WOLFCAMP		Contractor BIG DOG		Spud Date WHEN APPROVED	
Depth to Groundwater 100'+		Distance from nearest fresh water well 796'		Distance from nearest surface water 4 miles					
Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 1.8Mbbbls Drilling Method: Closed-Loop System ☐ Fresh Water ☒ Bone ☐ Diesel/Oil-based ☐ Gas/Air ☐									

Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	Conductor	40'	Redi-mix	Surface
17 1/2"	13 3/8"	48#	350'	450 Sx.	"
12 1/4"	9 5/8"	36#	1200'	475 Sx.	"
8 3/4"	7"	26#	5000'	670 Sx.	1000' From Sur.
6 1/8"	4 1/2"	11.6#	MD-8790' TVD4940'	425 Sx.	Top of liner

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED SHEET.

NOTIFY OCD OF SPUD & TIME TO
WITNESS CEMENTING OF
SURFACE & INTERMEDIATE
CASING

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ , a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ .		OIL CONSERVATION DIVISION	
Printed name: Joe T. Janica		Approved by: TIM W. GUM	
Title: Agent		Title: DISTRICT II SUPERVISOR	
E-mail Address:		Approval Date: JUL 29 2005 Expiration Date: JUL 29 2006	
Date: 07/27/05	Phone: 505-391-8503	Conditions of Approval Attached ☐	

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 350'. Run and set 350' of 13 3/8" 48# H-40 ST&C casing. Cement with 400 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. circulate cement to surface.
3. Drill 12½" hole to 1250'. Run and set 1250' of 9 5/8" 40# J-55 ST&C casing. Cement with 500 Sx. of Class "C" cement + 2% CaCl, + 5% NaCl, + 6% Bentonite, + ¼# Flocele/Sx, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. Circulate cement to surface.
4. Drill 8 3/4" hole to 5000'. Run and set 5000' of 7" 26# L-80 LT&C casing. Cement with 500 Sx. of Class "C" cement + 6% Bentonite, + 5% Salt, + ¼# Flocele/Sx., tail in with 200 Sx. of Class "C" cement + 2% CaCl, estimate to- of cement 900' from surface.
5. Run in hole with CIBP on wireline and set at 4750'±. Run in hole with Whipstock set at 4690'± orient 180° South. Run in hole with mill and cut a window at 4690'±. Run in hole with 6 1/8" bit and bottom hole assembly to drill horizontal hole to TVD of 4940'±, MD of 8790±.
6. Run and set 4400' of 4½" 11.6# L-80 liner from 4390' to 8790'±. Cement with 425 Sx. of Class "C" Premium Plus cement + additives. Cement to top of liner.
7. Fresh water spud mud will be used to drill surface hole, Fresh water Gel and a Polymer system will be used to drill well to TD

There is no known presence of H₂S in this area, no H₂S has been encountered in any of the wells drilled in this area. The Bureau of Land Management does not have any record of H₂S being present here.

Joe T. Jansen

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96086	Pool Name WILDCAT WOLFCAMP
Property Code	Property Name 1724 KINCAID	Well Number 111
OGRD No. 218885	Operator Name LCX ENERGY, LLC	Elevation 3702

Surface Location

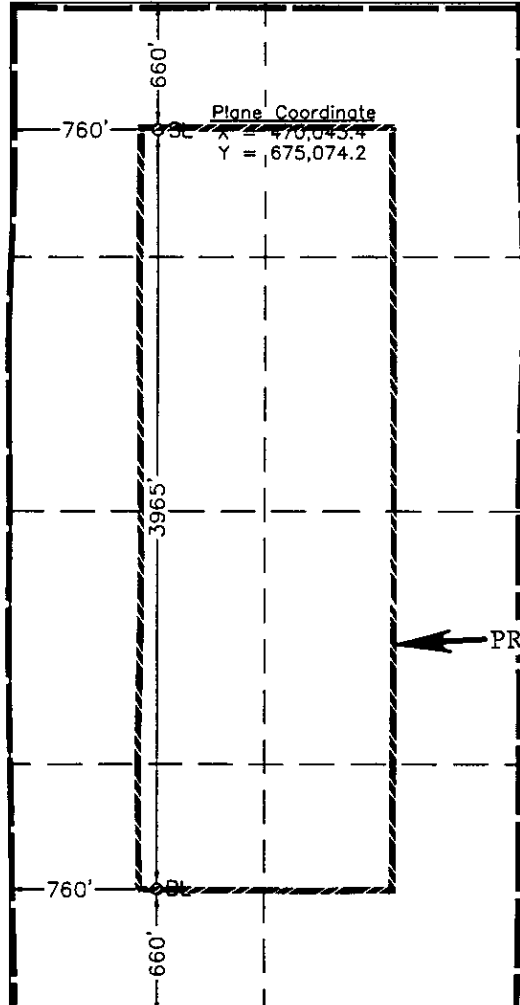
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	17 S	24 E		660	NORTH	760	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	17 S	24 E		660	SOUTH	760	WEST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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

 NOTE: 1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1983. Distances shown hereon are mean horizontal surface values.	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T Janica Printed Name Agent Title 07/27/05 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 upervision and that the same is true and orrect to the best of my belief. July 8, 2005 Date Surveyed JSR Signature & Seal of Professional Surveyor <i>W.O. Num. 2005-0650</i> Certificate No. MACON McDONALD 12185
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[illegible]

CONTOUR INTERVAL:
HOPE NE - 20'

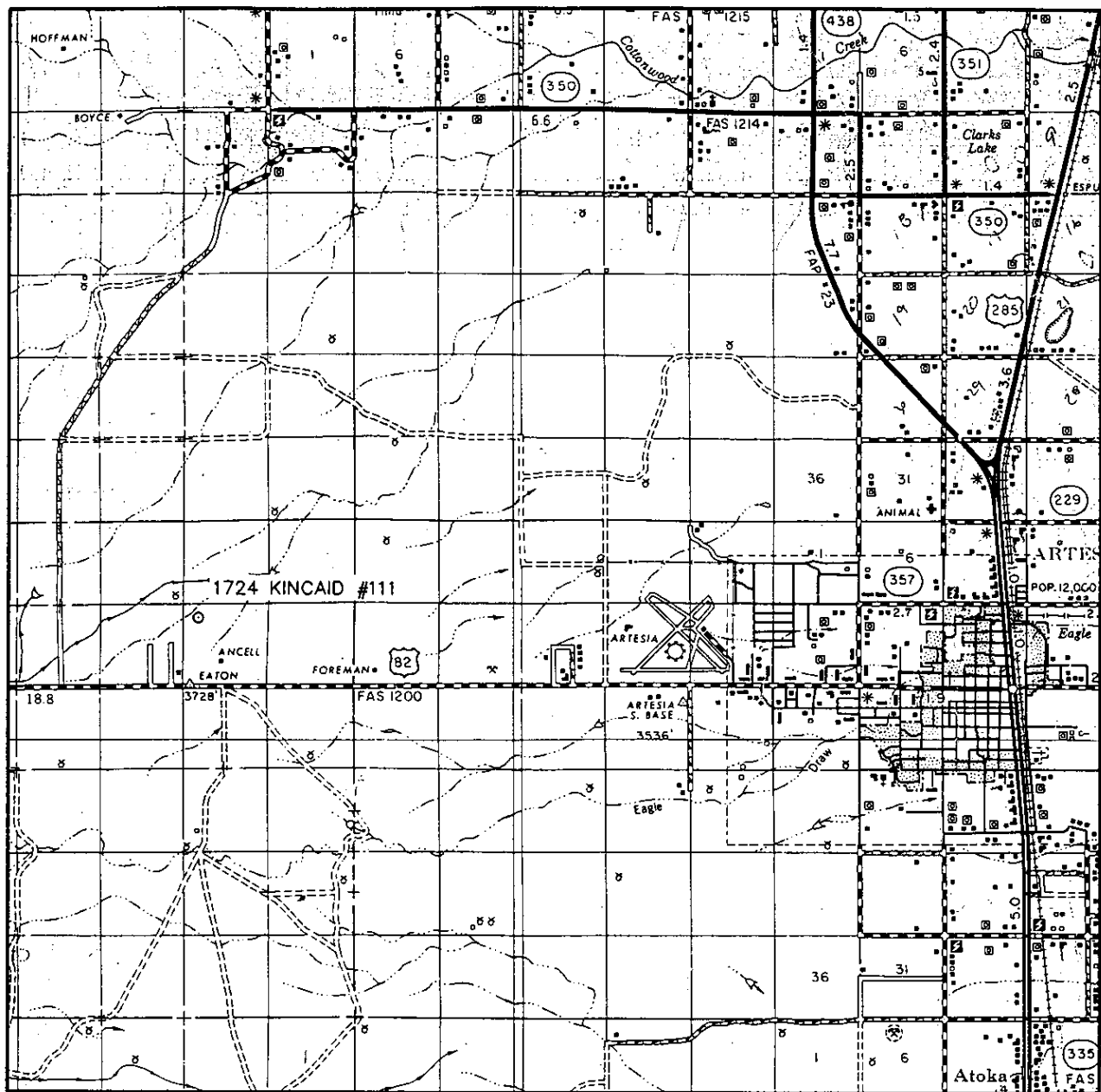
U.S.G.S. TOPOGRAPHIC MAP
HOPE SE, N.M.



WEST COMPANY of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 11 TWP. 17-S RGE. 24-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 660' FNL & 760' FWL
 ELEVATION 3702'
 OPERATOR LCX ENERGY, LLC
 LEASE 1724 KINCAID #111



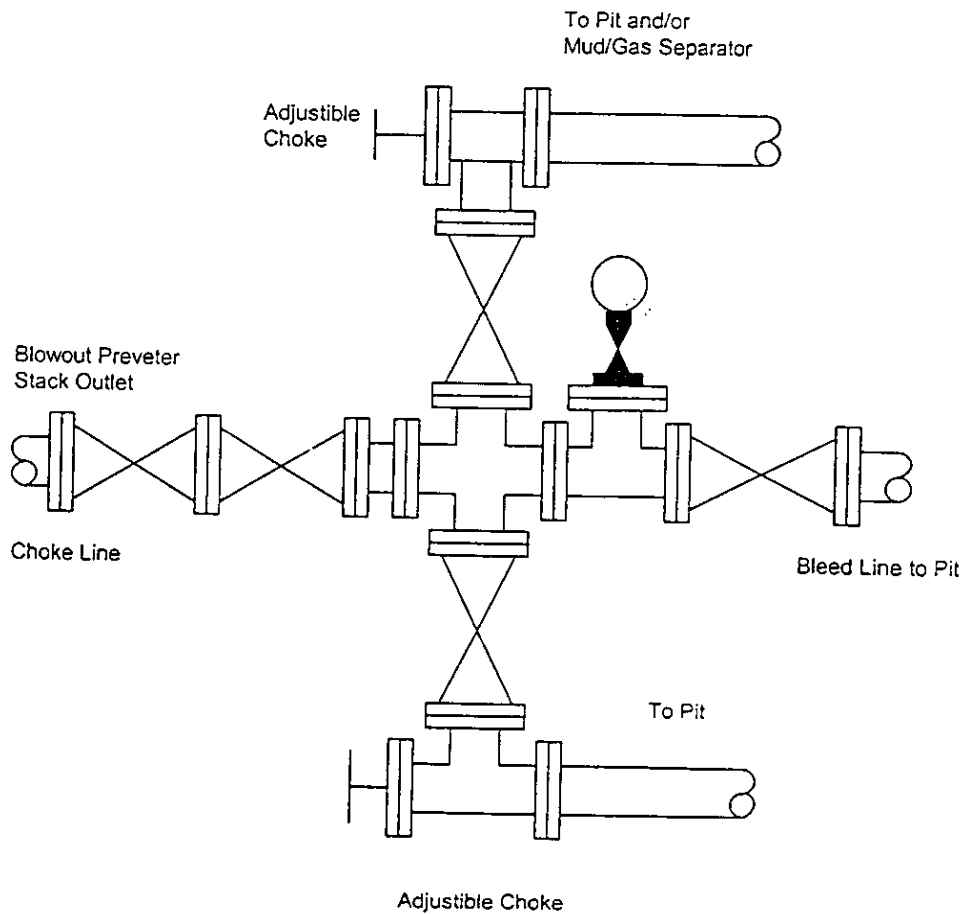
WEST
COMPANY
 of Midland, Inc.

110 W. LOUISIANA, STE. 110
 MIDLAND TEXAS, 79701
 (432) 687-0865 - (432) 687-0868 FAX

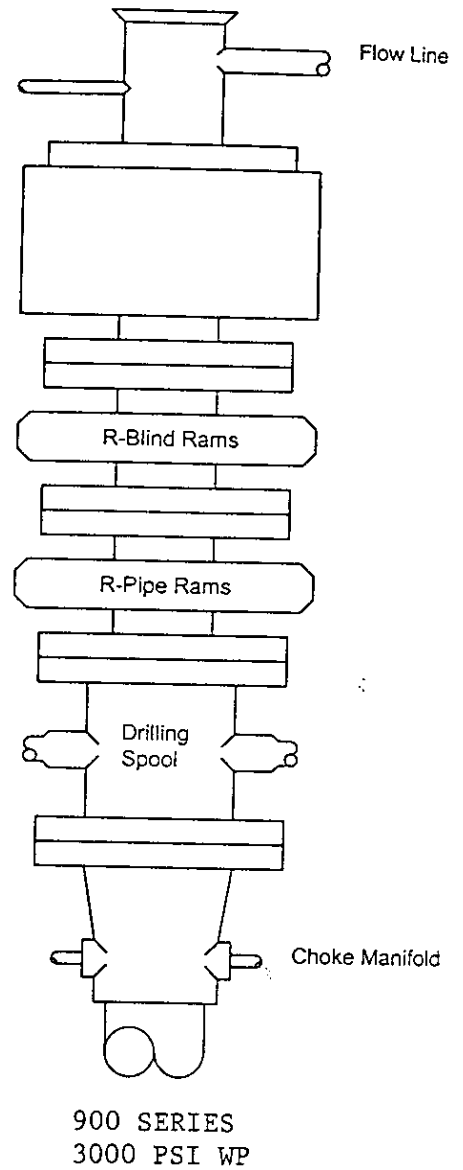
BLOWOUT PREVENTER SYSTEM

3000 PSI

Choke Manifold Assembly for 5M WP System



Fill Line



Proposal

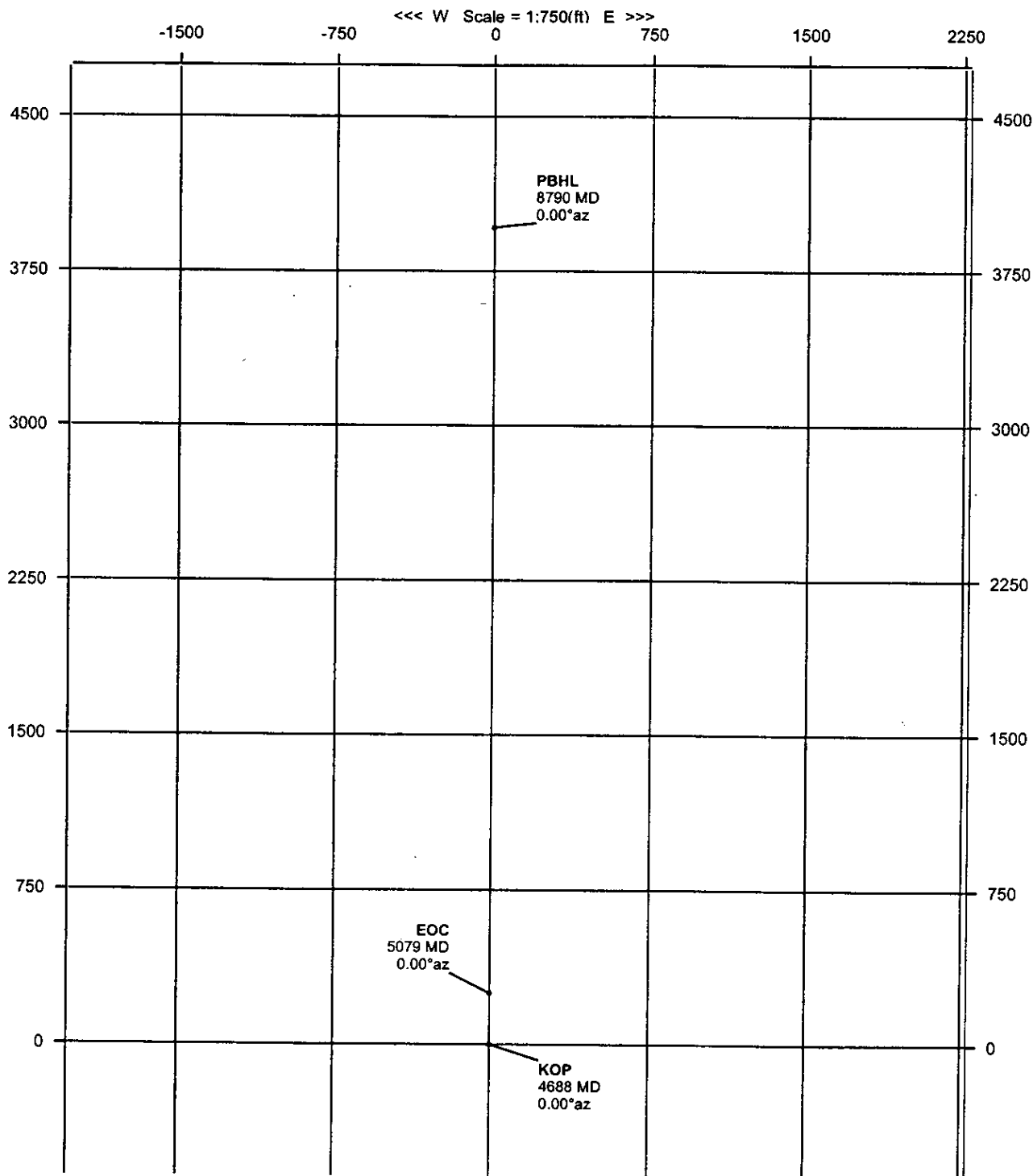


Report Date: July 26, 2005 Client: Endeavor Energy Field: Eddy County, NM Nad 83 Structure / Slot: 1724 Kincaid #111 / 1724 Kincaid #111 Well: 1724 Kincaid #111 Borehole: 1724 Kincaid #111 UWI/API#: Survey Name / Date: 1724 Kincaid #111_r1 / July 26, 2005 Tort / AHD / DDI / ERD ratio: 90.000° / 3960.00 ft / 5.802 / 0.802 Grid Coordinate System: NAD83 New Mexico State Planes, Eastern Zone, US Feet Location Lat/Long: N 32 27 58.536, W 104 17 54.240 Location Grid N/E Y/X: N 533358.051 ftUS, E 552111.259 ftUS Grid Convergence Angle: +0.01875232° Grid Scale Factor: 0.99990922	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 0.000° Vertical Section Origin: N 0.000 ft, E 0.000 ft TVD Reference Datum: RKB TVD Reference Elevation: 0.0 ft relative to Sea Bed / Ground Level Elevation: 0.000 ft relative to Magnetic Declination: 8.622° Total Field Strength: 49305.855 nT Magnetic Dip: 60.425° Declination Date: July 26, 2005 Magnetic Declination Model: IGRF 2005 North Reference: Grid North Total Corr Mag North -> Grid North: +8.603° Local Coordinates Referenced To: Well Head
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Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00M
KOP	4687.89	0.00	0.00	4687.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00M
	4700.00	2.79	0.00	4700.00	0.29	0.29	0.00	0.29	0.00	23.00	0.00M
	4800.00	25.79	0.00	4796.25	24.80	24.80	0.00	24.80	0.00	23.00	0.00G
	4900.00	48.79	0.00	4875.28	84.98	84.98	0.00	84.98	0.00	23.00	0.00G
	5000.00	71.79	0.00	4924.52	171.25	171.25	0.00	171.25	0.00	23.00	0.00G
EOC	5079.19	90.00	0.00	4937.00	249.11	249.11	0.00	249.11	0.00	23.00	0.00G
PBHL	8790.08	90.00	0.00	4937.00	3960.00	3960.00	0.00	3960.00	0.00	0.00	0.00G

Endeavor Energy

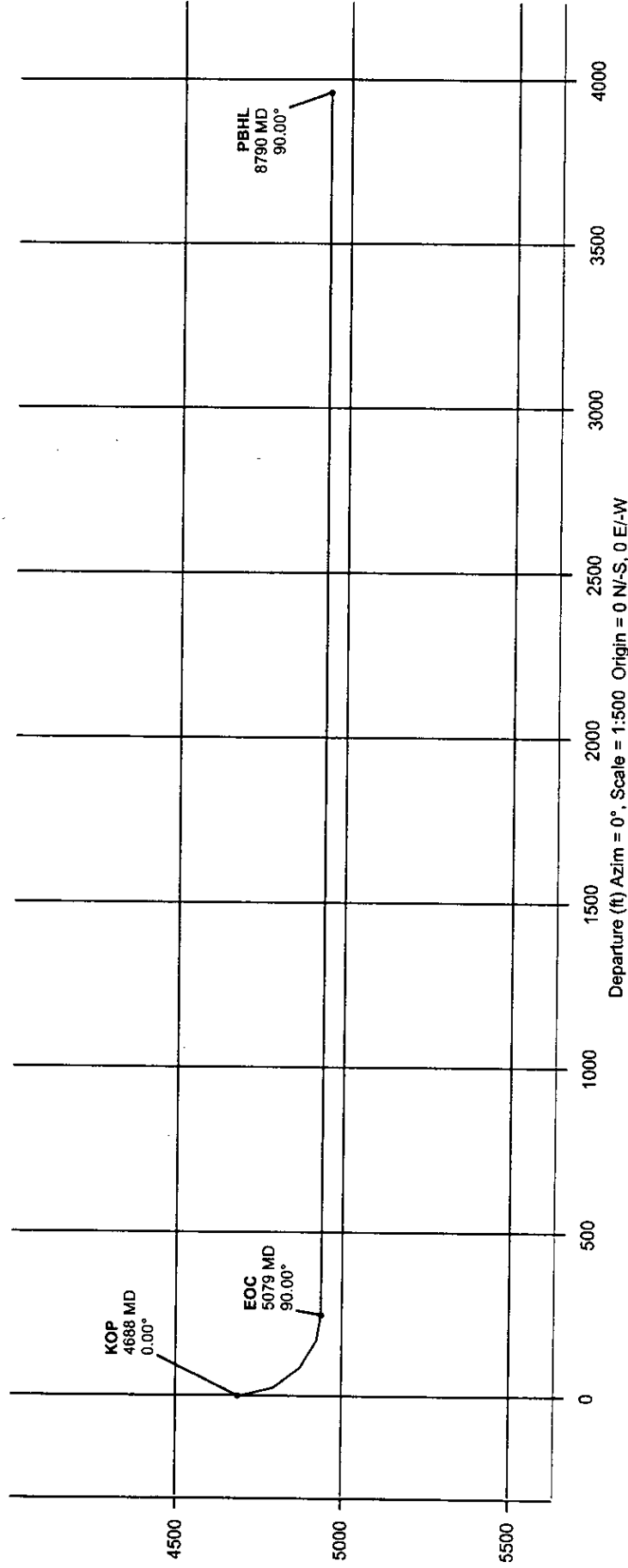
WELL	1724 Kincaid #111	FIELD	Eddy County, NM Nad 83	STRUCTURE	1724 Kincaid #111
Magnetic Parameters		Surface Location		Miscellaneous	
Model:	IGRF 2005	Dip:	90.425°	Date:	July 28, 2006
		Mag Dec:	+8.622°	F8:	40005.9 nT
		Lat:	N32 27 58.638	North:	533568.06 RL/S
		Long:	W104 17 54.240	East:	562111.26 RL/S
				Grid Conv:	+0.01675202
				Scale Fact:	0.999932235
				Slot:	1724 Kincaid #111
				Plan:	1724 Kincaid #111 .r1
				TVD Ref:	RKB (0.00 ft above)
				Srvy Date:	Tue 11:37 AM July 28, 2006



Endeavor Enegry

WELL	1724 Kincaid #111	FIELD	Eddy County, NM Nad 83	STRUCTURE	1724 Kincaid #111
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MapScale Parameters Model: IGRF 2005	Dr: 80.035° Mag Dec: +4.022°	Date: July 26, 2005 PS	Surface Location Lat: N32 27 58.530 Lon: W104 17 54.240	Northings 533366.05 NUS Scale Fact: 0.9999992238	Miscellaneous 1724 Kincaid #111 1724 Kincaid #111 -1	TVD Ref: RNS (0.00 ft above) Srvy Date: Tue 11:37 AM July 26, 2005
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INTERPRET
Directional Drilling Specialists