

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-35363 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. 36284
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG													
1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF WELL OVER BACK RESVR ☐ OTHER			7. Lease Name or Unit Agreement Name 1724 SMITH 14 JAN 17 2008 OCD-ARTESIA										
2. Name of Operator LCX Energy, LLC			8. Well No. 1										
3. Address of Operator 110 N. Marienfeld, Ste 200, Midland, TX 79701			9. Pool name or Wildcat Collins Ranch; Wolfcamp (Gas)										
4. Well Location Unit Letter <u>M</u> : <u>660</u> Feet From The <u>South</u> Line and <u>760</u> Feet From The <u>West</u> Line Section <u>14</u> Township <u>17S</u> Range <u>24E</u> NMPM County <u>Eddy</u>													
10. Date Spudded 05/12/07	11. Date T.D. Reached 06/04/07	12. Date Compl. (Ready to Prod.) 08/22/2007	13. Elevations (DF& RKB, RT, GR, etc.) 3732	14. Elev. Casinghead 3732									
15. Total Depth 8643 / 4823 TVD	16. Plug Back T.D. 8595 / 4824 TVD	17. If Multiple Compl. How Many Zones? _____	18. Intervals Drilled By _____	Rotary Tools ☒	Cable Tools ☐								
19. Producing Interval(s), of this completion - Top, Bottom, Name 5800 - 6925				20. Was Directional Survey Made Yes									
21. Type Electric and Other Logs Run N/A			22. Was Well Cored No										
23. CASING RECORD (Report all strings set in well)													
CASING SIZE 8 5/8"	WEIGHT LB./FT. 32#	DEPTH SET 370' / 1290'	HOLE SIZE 17 1/2" / 11"	CEMENTING RECORD 1325 POZ C	AMOUNT PULLED TOC 675'								
5 1/2"	17#	8643'	7 7/8"	890 POZ	29 sx								
24. LINER RECORD			25. TUBING RECORD										
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE								
					2 3/8"								
					4695'								
					4700'								
26. Perforation record (interval, size, and number) 5090' - 5800' 50 shots 6025' - 6700' 50 shots 6925' - 7600' 47 shots			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:40%;">DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td></td> <td>9644 bbls slick wtr, 31514 acid, 8000# 20/40</td> </tr> <tr> <td></td> <td>sand, 24000# 14/30 sand, 21116 liteprop 125,</td> </tr> <tr> <td></td> <td>27497 gals flush</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED		9644 bbls slick wtr, 31514 acid, 8000# 20/40		sand, 24000# 14/30 sand, 21116 liteprop 125,		27497 gals flush
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28. PRODUCTION													
Date First Production 08/22/2007		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod or Shut-in) Producing									
Date of Test 1/0/15/07	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 2	Gas - MCF 2491								
		Water - Bbl. 2	Gas - Oil Ratio 1,245,500										
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl 2	Gas - MCF 2491	Water - Bbl 2								
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By Billy Walker								
30. List Attachments													
Directional Surveys													
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief													
Signature <u>Vickie L. Gotcher</u>			Printed Name Vickie L. Gotcher Title Regulatory Analyst		Date 1/16/2008								
E-mail Address vickie@eeronline.com													

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depth shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres <u>500</u>	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta <u>1770</u>	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo <u>3842</u>	T.	T. Wingate	T.
T. Wolfcamp <u>4175</u>	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
 No. 2, from.....to.....
 No. 3, from.....to.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
3700	3830	130	Dolomite				
3830	3860	30	Dolomite/Shale				
3860	3980	120	Shale				
3980	4110	130	Dolomite/Shale				
4110	7660	3550	Dolomite				
7660	7730	70	Dolomite/Lime				
7730	8642	912	Dolomite				

KELTIC SERVICES, INC.

P.O. BOX 1857 - ARTESIA, NM 88210

ROSWELL (505) 622-2550

ARTESIA (505) 748-3759

FIELD TICKET

INVOICE #

COMPANY: <u>LC Energy, LLC</u>	DATE: <u>5-15-07</u>
LEASE: <u>1724 Smith 14" #1</u>	P.O. #
COMPANY REPRESENTATIVE: <u>Roy Roosen</u>	I.D. #

DESCRIPTION OF WORK / DATE / TIME	TIME HOURS	COST PER HR.	TOTAL
<u>Temp Survey</u>			<u>600.00</u>
<u>C.J. e-675A</u>			
<u>Tot Dpth e-118844tag</u>			

EQUIPMENT RENTAL	DAYS / HRS	COST	TOTAL

MILEAGE	MILES	COST	TOTAL
<u>Truck</u>	<u>24</u>	<u>1.75</u>	<u>42.00</u>

KELTIC REP: <u>Julian Grijalva</u>	SUBTOTAL	<u>642.00</u>
COMPANY REP: <u>Roy Roosen</u>	5.625% TAX	<u>36.11</u>
	TOTAL	<u>678.11</u>