

UNITED STATES Oil Cons. Div. Vol. 2
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1801 W. Grand Avenue
Albuquerque, NM 87106

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 LCX ENERGY, LLC. 218885 (FRANK NIX 432-682-8553)

3. ADDRESS AND TELEPHONE NO.
 110 NORTH MARIENFELD SUITE 200
 MIDLAND, TEXAS 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 660' FNL & 760' FWL SECTION 6 T17S-R25E EDDY CO. NM
 At proposed prod. zone: 660' FSL & 760' FWL SECTION 6 T17S-R25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 7 miles Northwest of Artesia New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 660'

16. NO. OF ACRES IN LEASE
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 NA

19. PROPOSED DEPTH
 MD 8790' TVD-4940'

20. ROTARY OR CABLE TOOLS
 ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3633' GR.

22. APPROX. DATE WORK WILL START WHEN APPROVED

RECEIVED
SEP 16 2005
WU-ARTESIA

5. LEASE DESIGNATION AND SERIAL NO.
 NM-93181

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO. AND SURVEY OR AREA
 35706
 1725 FEDERAL COM. # 61

9. AP WELL NO.
 30-015-34340

10. FIELD AND POOL, OR WILDCAT
 COTTONWOOD CREEK-WLFC.

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SECTION 6 T17S-R25E

12. COUNTY OR PARISH
 EDDY CO.

13. STATE
 NEW MEXICO

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	Conductor	NA	40'	Redi-mix cement to surface
17 1/2"	H-40 13 3/8"	48#	350'	5x. cement to surface
12 1/2"	J-55 9 5/8"	40#	1250'	5x. " " "
8 3/4"	L-80 7"	26#	5000'	700 Sx. Estimate TOC 900' ES.
6 1/8"	L-80 4 1/2"	11.6#	TVD 4940' MD 8790'	425 Sx. cement to top Liner.

Roswell Controlled Water Basin

SEE ATTACHED SHEET

LCX ENERGY, LLC. ACCEPTS RESPONSIBILITY FOR OPERATION OF THIS LEASE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Joe G. Lara TITLE Agent DATE 07/21/05

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /s/ Joe G. Lara

NMOCD CASE NO. 13628
MARCH 2, 2006
LCX ENERGY, LLC
EXHIBIT NO. 2

SEP 14 2005
DATE
APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. French Cr., Hobbs, NM 88240

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

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 75250	Pool Name COTTONWOOD CREEK-WOLFCAMP
Property Code	Property Name 1725 FED COM	Well Number 61
OGRID No. 218885	Operator Name LCX ENERGY, LLC	Elevation 3633'

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	6	17 S	25 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	6	17 S	25 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

Plane Coordinate
X = 480,658.6
Y = 880,399.1

NOTE:
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.

Joe T Janica
Signature
Joe T Janica
Printed Name
Agent
Title
07/21/05
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 supervision and that the same is true and correct to the best of my belief.

July 8, 2005
Date Surveyed
Signature & Seal of Professional Surveyor JSR
W.O. Num. 2005-0527
W.O. Num. 2005-0527
Certificate No. MACON McDONALD 12185