

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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

Form C-103  
March 4, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-34247
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. -----
7. Lease Name or Unit Agreement Name 1724 OSBOURN
8. Well Number 101
9. OGRID Number 218885
10. Pool name or Wildcat UNDES. EAGLE CREEK-WOLFCAMP

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
LCX ENERGY, LLC.

3. Address of Operator  
110 NORTH MARIENFELD SUITE 200 MIDLAND, TEXAS 79701

4. Well Location SHL 1880' FEL & 660' FNL SEC. 10  
BHL 1880' FEL & 660' FSL SEC. 10

Unit Letter B : 1880' feet from the EAST line and 660' feet from the NORTH line

Section 10 Township 17S Range 24E NMPM County EDDY CO.

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3729' GR.

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL B Sect 10 Twp 17S Rng 24E Pit type Drilling Depth to Groundwater 100' Distance from nearest fresh water well .5 Mi.

Distance from nearest surface water 2.5 Below-grade Tank Location UL \_\_\_\_\_ Sect \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ ;

\_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☒

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Move location from 1880' FEL & 660' FSL Sec. 10 T17S-R24E to 1880' FEL & 660' FNL Sec. 10 T17S-R24E. The reason for this move is to avoid residential dwellings at original location.  
SEE ATTACHED REVISED DRILLING AND CASING PROGRAM.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Joe T. Janica TITLE Agent DATE 09/26/05

Type or print name Joe T. Janica E-mail address: \_\_\_\_\_ Telephone No. 505-391-8503

(This space for State use)

TIM W. GUM

APPROVED BY DISTRICT II SUPERVISOR DATE SEP 28 2005

Conditions of approval, if any:

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17-1/2" hole to 350'. Run and set 350' of 13-3/8" 48# H-40 ST&C casing. Cement with 200 sx 35/65 Poz/C + 6% gel and tail in with 200 sx of Class "C" cement + 2% CaCl, circulate cement to surface.
3. Drill 12-1/4 hole to 1200'. Run and set 1200' of 9-5/8" 36# J-55 ST&C casing. Cement with 375 sx of 35/65 Poz/C + 5% NaCl + 6% Bentonite, tail in with 100 sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
4. Drill 8-3/4" hole to approx. 5100'. Set cement kick-off plug from TD to approx. 4800 ft with 150 sx H + 0.7% dispersant.
5. Dress cement top to desired kick-off point. Drill 8-3/4" curve and land lateral in pay zone (approx. 4900 ft TVD). Pickup lateral drilling assembly with an 8-3/4" or 7-7/8" bit and drill a +/-4000' lateral to 660' from lease line (approx. 4000 ft vertical section).
6. Run and set 5-1/2" 15.5# N80 or stronger production casing. Cement 5-1/2" with acid soluble cement through the lateral and 400 sx 50/50 Poz/C + 10% gel and tail in with 200 sx C + 200% CaCO3 (acid soluble cement) + fluid loss additive + retarder (as required), attempting to bring top of cement to 1,000'.

Drill surface hole and intermediate hole to 4800'± with fresh water.  
Drill from 4800'± to TD with cut-brine.

No H<sub>2</sub>S has been encountered in any other wells drilled in this area and the BLM does not have any record of any H<sub>2</sub>S occurring in this area.

Will start project when drilling rig becomes available.

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

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., Aztec, NM 87410

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-34247	Pool Code 96622	Pool Name UNDES. EAGLE CREEK-WOLFCAMP
Property Code 34965	Property Name 1724 OSBOURN	Well Number 101
OGRID No. 218885	Operator Name LCX ENERGY, LLC	Elevation 3729

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	17 S	24 E		660	NORTH	1880	EAST	EDDY

Bottom Hole Location If Different From Surface

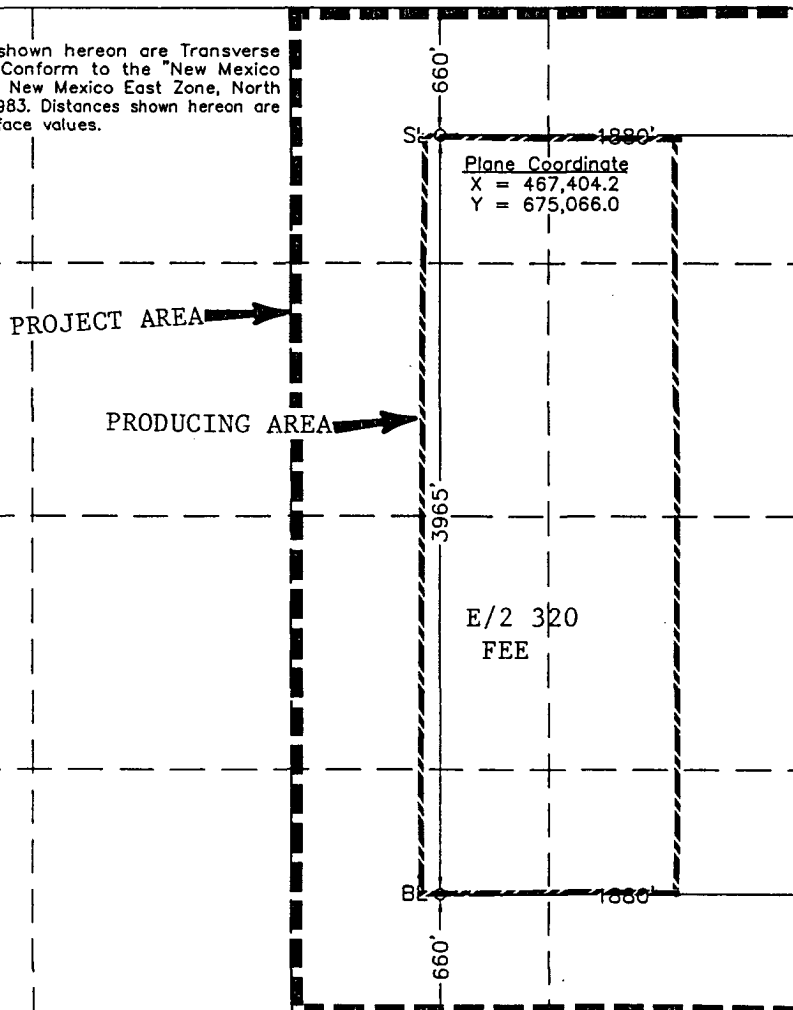
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	17 S	24 E		660	SOUTH	1880	EAST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

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.

*Joe T. Janica*  
Signature  
Joe T. Janica  
Printed Name  
Agent  
Title  
09/26/05  
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.

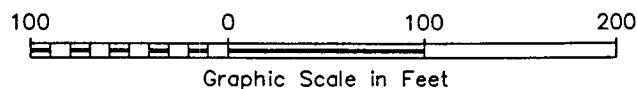
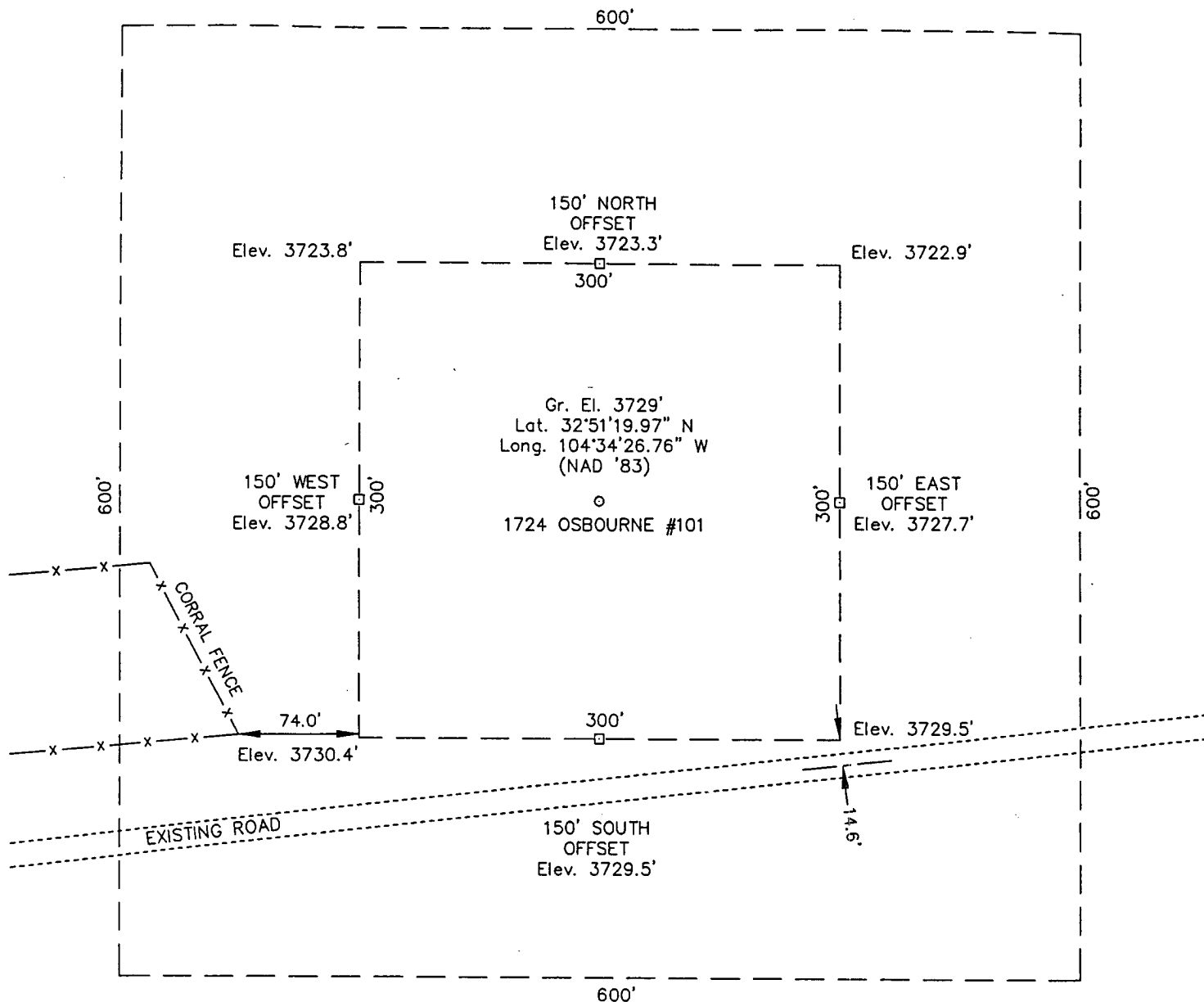
September 13, 2005  
Date Surveyed  
Signature & Seal of Professional Surveyor  
JSR  
W.O. Num. 2005-0649  
Certificate No. MACON McDONALD 12185

# SECTION 10, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO

L-2005-0649



## DRIVING DIRECTIONS

From the intersection of Highways 285 and 82 in Artesia, Drive West on Highway 82 for approximately 9.2 miles to Sundown Trail. Turn right and proceed North on Sundown Trail for 1.0 miles. Turn left and proceed West on a dirt road approximately 0.4 miles to a dirt road to the left. Turn left and extend Southwesterly on a dirt road approximately 0.2 miles to a point. The location is North approximately 350 feet.

## LCX ENERGY, LLC

### 1724 OSBOURN #101

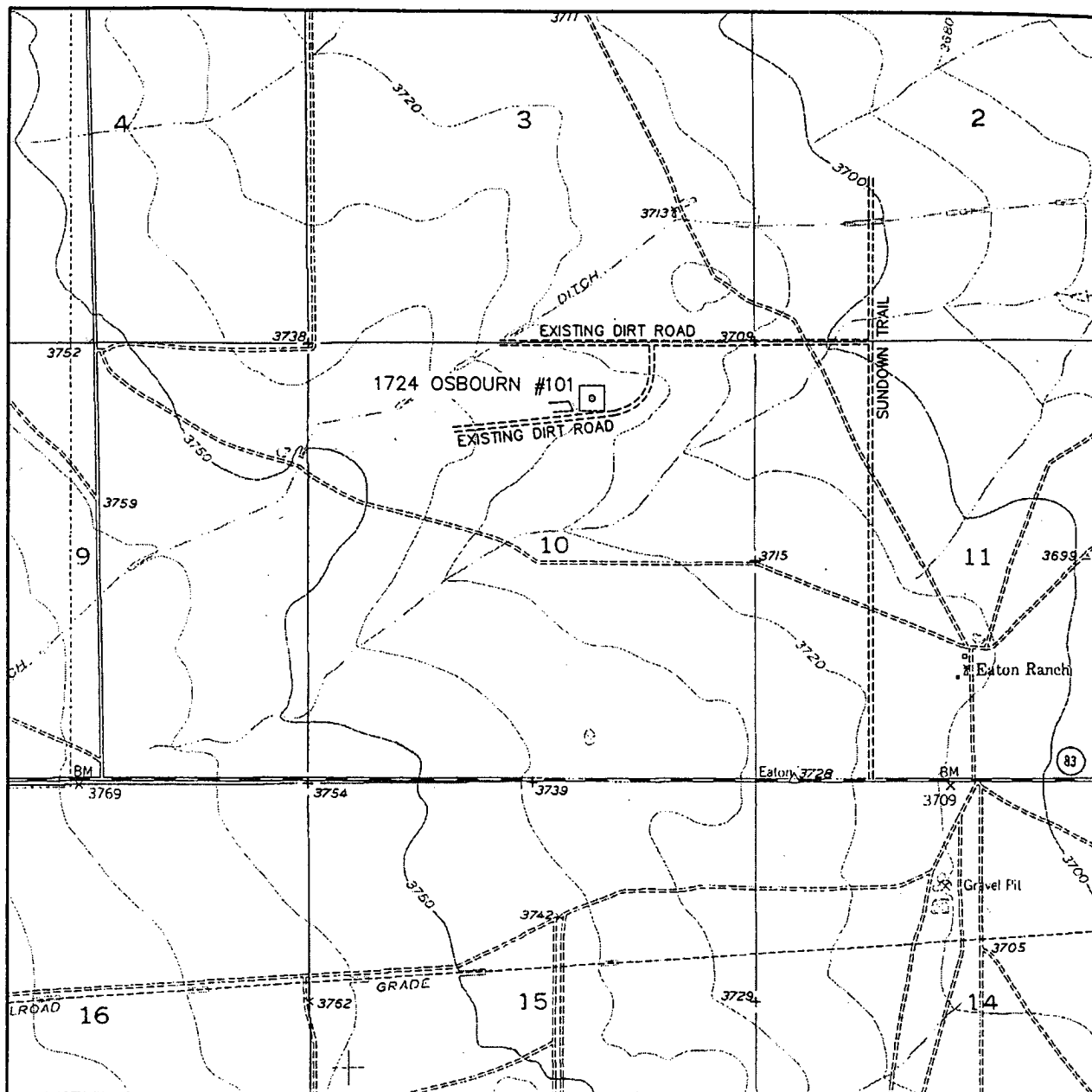
Located 660' FNL & 1880' FEL, Section 10  
Township 17 S, Range 24 E, N.M.P.M.  
Eddy County, New Mexico

Drawn By: JSR	Date: September 13, 2005
Scale: 1"=100'	Field Book: 303 / 58
Revision Date:	Quadrangle: Espuela
W.O. No: 2005-0649	Dwg. No.: L-2005-0649

**WEST**  
**COMPANY**  
of Midland, Inc.

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

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
HOPE SE - 10'

SEC. 10 TWP. 17-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FNL & 1880' FEL

ELEVATION 3729'

OPERATOR LCX ENERGY, LLC

LEASE 1724 OSBOURN #101

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



# Proposal

<b>Report Date:</b> September 20, 2005 <b>Client:</b> LCX Energy LLC. <b>Field:</b> Eddy County, NM Nad 83 <b>Structure / Slot:</b> 1724 Osbourn #101 / 1724 Osbourn #101 <b>Well:</b> 1724 Osbourn #101 <b>Borehole:</b> 1724 Osbourn #101 <b>UWI/API#:</b> <b>Survey Name / Date:</b> 1724 Osbourn #101_r2 / July 26, 2005 <b>Tort / AHD / DDI / ERD ratio:</b> 90.000° / 3963.46 ft / 5.803 / 0.803 <b>Grid Coordinate System:</b> NAD83 New Mexico State Planes, Eastern Zone, US Feet <b>Location Lat/Long:</b> N 32 51 19.965, W 104 34 26.757 <b>Location Grid N/E Y/X:</b> N 675065.200 RUS, E 467404.200 ftUS <b>Grid Convergence Angle:</b> -0.13062152° <b>Grid Scale Factor:</b> 0.99991535	<b>Survey / DLS Computation Method:</b> Minimum Curvature / Lubinski <b>Vertical Section Azimuth:</b> 180.440° <b>Vertical Section Origin:</b> N 0.000 ft, E 0.000 ft <b>TVD Reference Datum:</b> RKB <b>TVD Reference Elevation:</b> 0.0 ft relative to <b>Sea Bed / Ground Level Elevation:</b> 0.000 ft relative to <b>Magnetic Declination:</b> 8.779° <b>Total Field Strength:</b> 49508.078 nT <b>Magnetic Dip:</b> 60.735° <b>Declination Date:</b> July 26, 2005 <b>Magnetic Declination Model:</b> IGRF 2005 <b>North Reference:</b> Grid North <b>Total Corr Mag North -&gt; Grid North:</b> +8.910° <b>Local Coordinates Referenced To:</b> Well Head
--	---

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	180.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-179.56M
KOP	4687.89	0.00	180.44	4687.89	0.00	0.00	0.00	0.00	0.00	0.00	-179.56M
	4700.00	2.79	180.44	4700.00	0.29	-0.29	-0.00	0.29	180.44	23.00	-179.56M
	4800.00	25.79	180.44	4796.25	24.80	-24.80	-0.19	24.80	180.44	23.00	0.00G
	4900.00	48.79	180.44	4875.28	84.98	-84.98	-0.65	84.98	180.44	23.00	0.00G
	5000.00	71.79	180.44	4924.52	171.25	-171.24	-1.30	171.25	180.44	23.00	0.00G
EOC	5079.19	90.00	180.44	4937.00	249.11	-249.10	-1.89	249.11	180.44	23.00	0.00G
PBHL	8793.54	90.00	180.44	4937.00	3963.46	-3963.34	-30.10	3963.46	180.44	0.00	0.00G

