

District I
1625 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 MARIENFELD SUITE 200 MIDLAND, TEXAS 79701		RECEIVED SEP 27 2005 OOD-ART-CON	2 OGRID Number 229137 218885 3 API Number 30 - 015-34365
Property Code 34967	Property Name 1625 STATE COM.	Well No. 201	
Proposed Pool 1 Eagle CREEK-WOLFCAMP		Proposed Pool 2	

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North-South line	Feet from the	East/West line	County
M	20	16S	25E		660'	SOUTH	760'	WEST	EDDY

8 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
D	20	16S	25E		660'	NORTH	760'	WEST	EDDY

Additional Well Information

1 Work Type Code N	2 Well Type Code G	3 Cable/Rotary ROTARY	4 Lease Type Code S	5 Ground Level Elevation 3554'
6 Multiple NO	7 Proposed Depth MD-8790 TVD-4900'	8 Formation WOLFCAMP	9 Contractor BIG DOG	10 Spud Date WHEN APPROVED
Depth to Groundwater 100'+		Distance from nearest fresh water well 1.4 miles		Distance from nearest surface water In excess of 2 miles
Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 18M bbls Drilling Method: Closed-Loop System ☐ Fresh Water ☒ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	NA	40'	Redi-mix	Surface
17 1/2"	13 3/8"	48#	350'	500 Sx.	Surface
12 1/2"	9 5/8"	36#	1200'	475 Sx.	Surface
8 3/4"			5100'±	150 Sx. plug	
8 3/4" or 7 7/8"	5 1/2"	15.5#	MD 8790' TVD 4900'	600 Sx.	1000' FS

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 CASING
Intermediate

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 ☐.

Printed name: Joe T. Janica

Title: Agent

E-mail Address:

Date: 09/26/05

Phone: 505-391-8503

OIL CONSERVATION DIVISION Approved by: <i>Joe T. Janica</i> District II Supervisor	
Approval Date: SEP 30 2005	Expiration Date: SEP 30 2006
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 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 H₂S has been encountered in any other wells drilled in this area and the BLM does not have any record of any H₂S occurring in this area.

DISTRICT I
1625 N. French Dr., 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	Pool Name
Property Code	Property Name	Well Number
OGRID No.	Operator Name	Elevation
1625 STATE COM	201	
229137	LCX ENERGY, LLC	3554

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	16 S	25 E		660	SOUTH	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
D	20	16 S	25 E		660	NORTH	760	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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.

PRODUCING AREA

PROJECT AREA

SW/4 STATE VA-2581

Plane Coordinate
X = 468,966.1
Y = 692,324.0

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

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

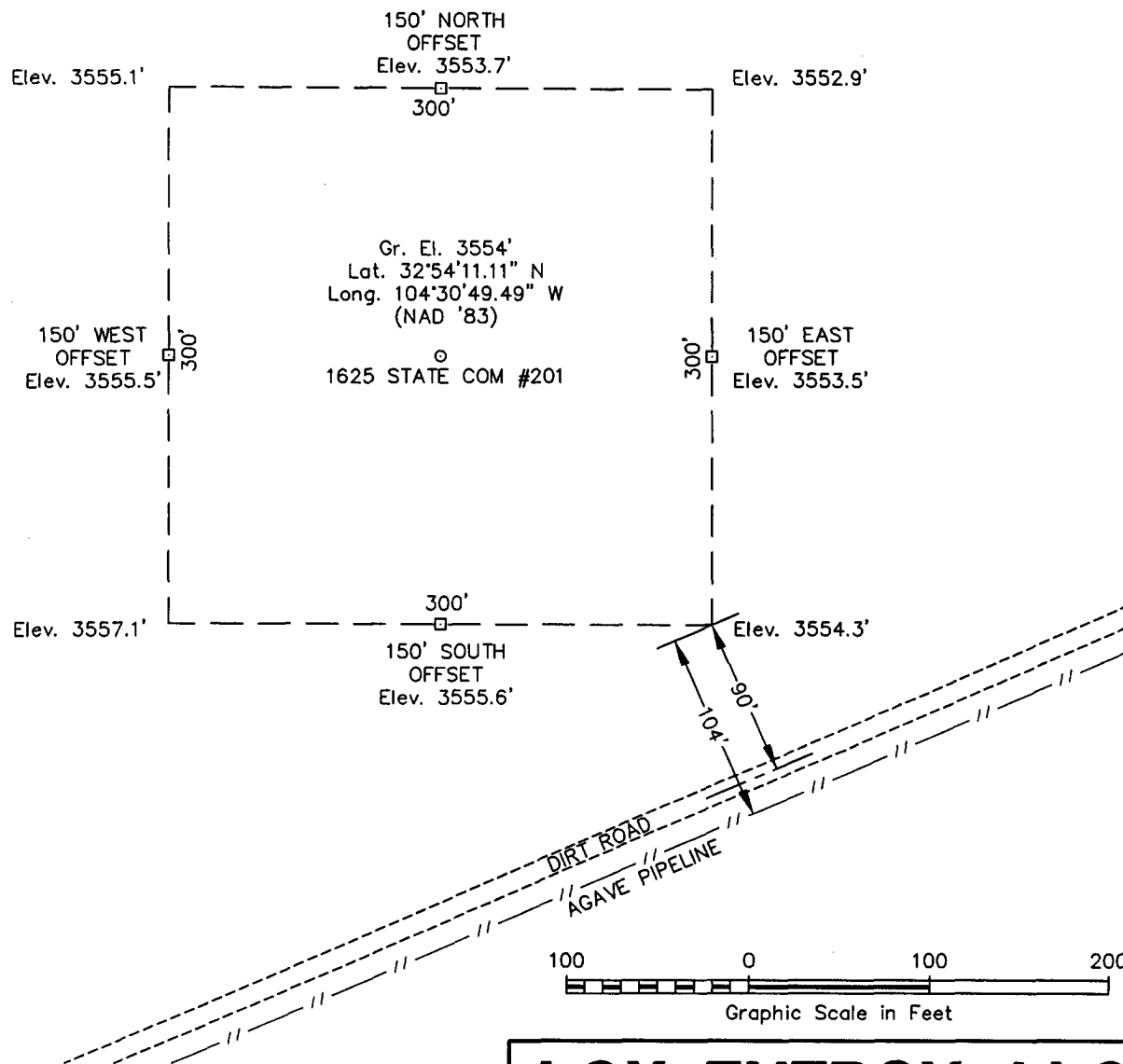
W.O. Num. 2005-0678
Certificate No. MACON McDONALD 12185

SECTION 20, TOWNSHIP 16 SOUTH, RANGE 25 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 North on Highway 285 for approximately 5.9 miles to County Road 122. Turn left and proceed West on county Road 122 for approximately 3.5 miles to County Road 122-B. Turn left and proceed South on County road 122-B for approximately 1.6 miles to a dirt road running parallel and adjacent to an Agave pipeline ROW. Turn right and go Southwesterly on the dirt road approximately 0.9 miles to a point. The location is Northwest approximately 400 feet.

LCX ENERGY, LLC

1625 STATE COM #201

Located 660' FSL & 760' FWL, Section 20
Township 16 S, Range 25 E, N.M.P.M.
Eddy County, New Mexico

Drawn By: JSR	Date: September 13, 2005
Scale: 1"=100'	Field Book: 303 / 56-57
Revision Date:	Quadrangle: Hope NE
W.O. No: 2005-0678	Dwg. No.: L-2005-0678

**WEST
COMPANY**
of Midland, Inc.

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

This topographic map depicts a region in Mexico, characterized by numerous contour lines indicating elevation. The map is overlaid with a grid system, with vertical lines labeled 16, 17, 18, 19, 20, 21, 28, 29, and 30, and horizontal lines labeled 16, 17, 18, 19, 20, 21, 28, 29, and 30. Key features include:

- Counties:** The map shows the boundaries of several counties, including Chihuahua, Coahuila, and Durango.
- Roads:** A prominent road, labeled "COUNTY ROAD 122-B", runs vertically through the center-right of the map. A "DIRT ROAD AGAVE-PIPELINE" is shown in the lower-left quadrant.
- Landmarks:** "LAKE ARTHUR" is marked in the upper-right quadrant. A specific location is identified as "1625 STATE COM #201" in the lower-left quadrant.
- Topography:** Contour lines are labeled with elevations such as 3550, 3560, 3570, 3580, 3590, and 3600, indicating a generally hilly or mountainous terrain.
- Infrastructure:** A "TELEPHONE LINE" is shown running horizontally across the middle of the map.
- Grid System:** The map uses a grid system with vertical lines labeled 16, 17, 18, 19, 20, 21, 28, 29, and 30, and horizontal lines labeled 16, 17, 18, 19, 20, 21, 28, 29, and 30.

CONTOUR INTERVAL:
HOPE NE - 10'

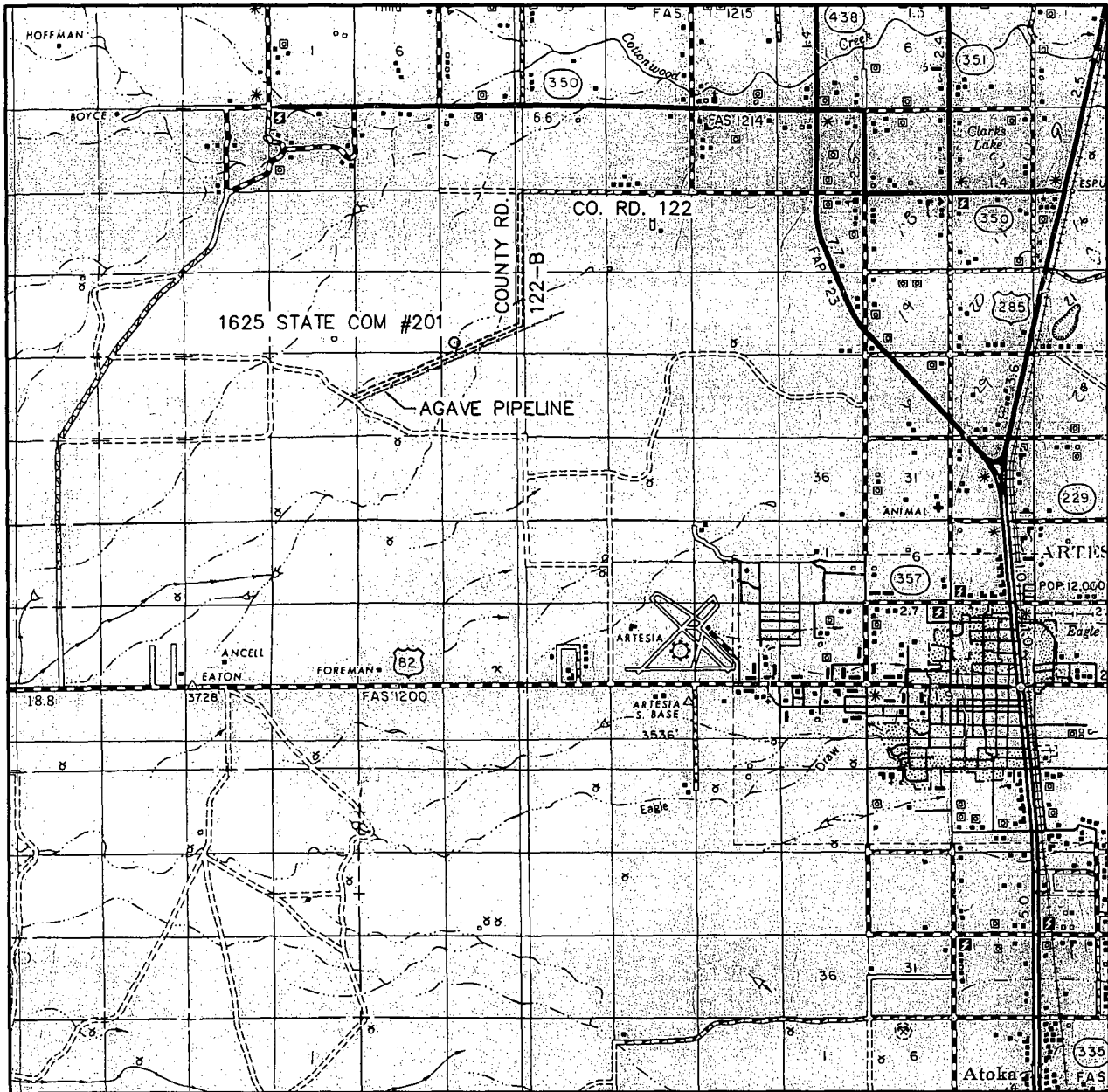
U.S.G.S. TOPOGRAPHIC MAP
HOPE NE, N.M.



**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. 20 TWP. 16-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FSL & 760' FWL

ELEVATION 3554'

OPERATOR LCX ENERGY, LLC

LEASE 1625 STATE COM #201

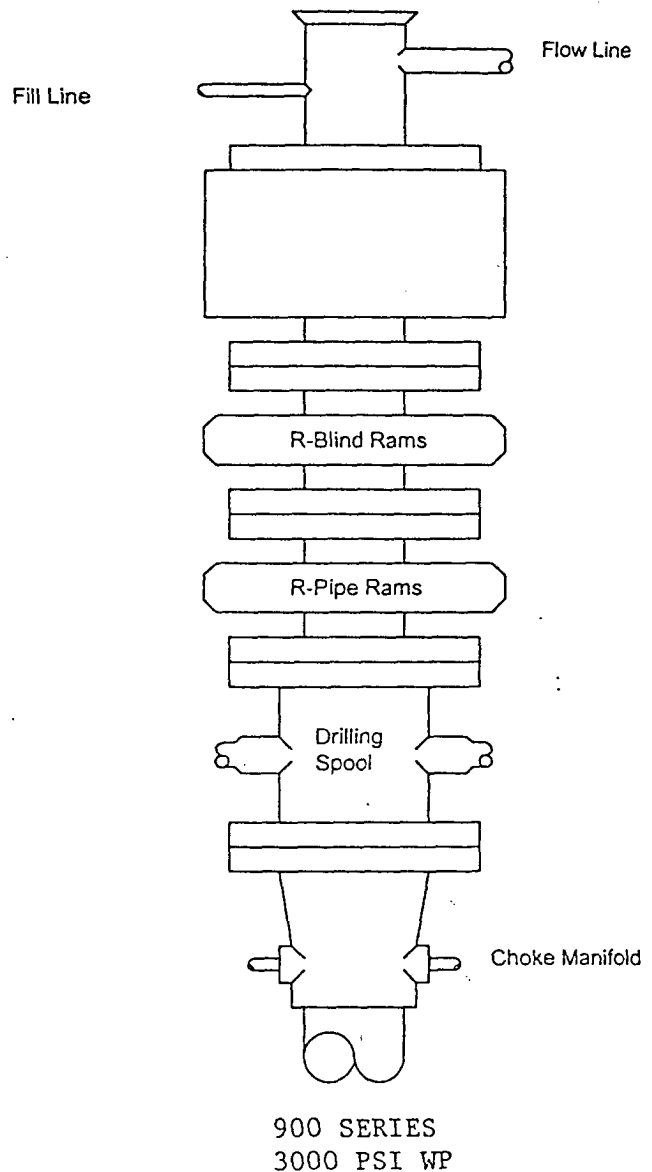
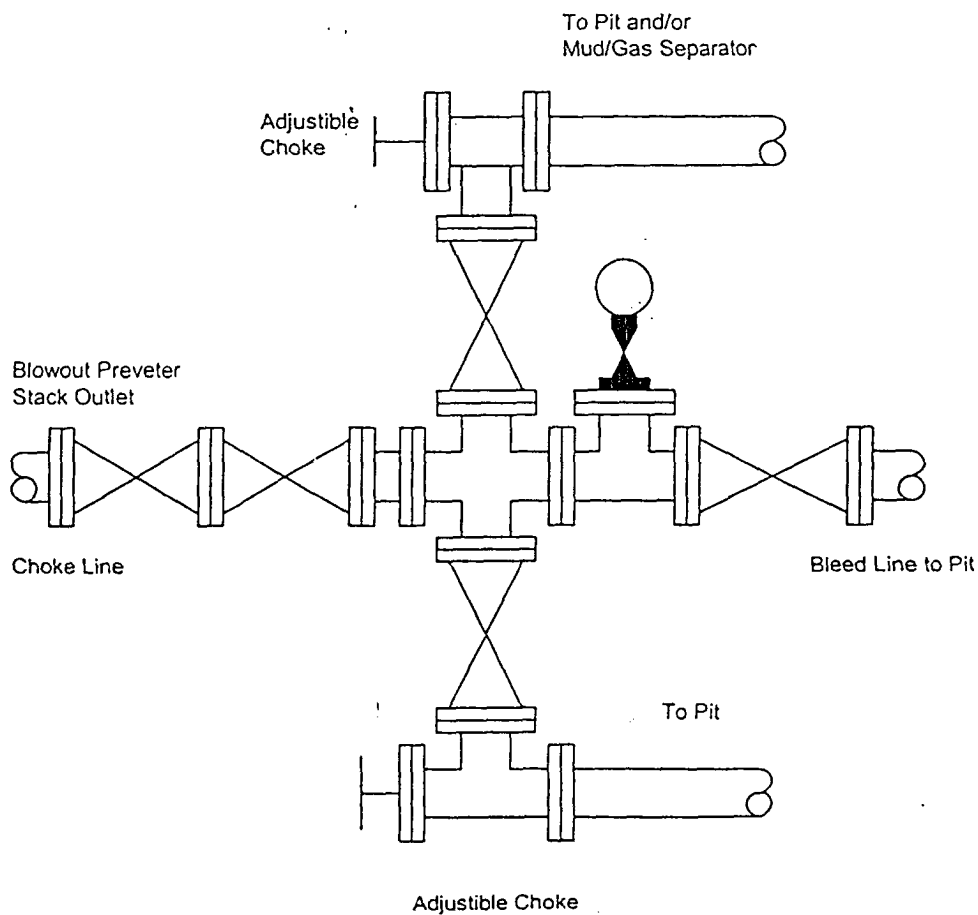


110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

BLOWOUT PREVENTER SYSTEM

3000 PSI

Choke Manifold Assembly for 5M WP System



Proposal

Report Date: September 21, 2005 Client: LCX Energy LLC. Field: Eddy County, NM Nad 83 Structure / Slot: 1625 ST Com #201 / 1625 ST Com #201 Well: 1625 ST Com #201 Borehole: 1625 ST Com #201 UWI/API#: Survey Name / Date: 1625 ST Com #201_r2 / September 21, 2005 Tort / AHD / DDI / ERD ratio: 90.000° / 3964.42 ft / 5.803 / 0.803 Grid Coordinate System: NAD83 New Mexico State Planes, Eastern Zone, US Feet Location Lat/Long: N 32 54 11.107, W 104 30 49.611 Location Grid N/E Y/X: N 692324.000 RUS, E 485956.100 RUS Grid Convergence Angle: -0.09802284° Grid Scale Factor: 0.99991260	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 0.320° 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: 8.748° Total Field Strength: 49536.975 nT Magnetic Dip: 60.789° Declination Date: August 24, 2005 Magnetic Declination Model: IGRF 2005 North Reference: Grid North Total Corr Mag North -> Grid North: +8.846° Local Coordinates Referenced To: 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	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32M
KOP	4687.89	0.00	0.32	4687.89	0.00	0.00	0.00	0.00	0.00	0.00	0.32M
	4700.00	2.79	0.32	4700.00	0.29	0.29	0.00	0.29	0.32	23.00	0.32M
	4800.00	25.79	0.32	4796.25	24.80	24.80	0.14	24.80	0.32	23.00	0.00G
	4900.00	48.79	0.32	4875.28	84.98	84.98	0.48	84.98	0.32	23.00	0.00G
	5000.00	71.79	0.32	4924.52	171.25	171.24	0.97	171.25	0.32	23.00	0.00G
EOC	5079.19	90.00	0.32	4937.00	249.11	249.11	1.41	249.11	0.32	23.00	0.00G
PBHL	8794.50	90.00	0.32	4937.00	3964.42	3964.35	22.40	3964.42	0.32	0.00	0.00G

LCX Energy LLC.

WELL	1625 ST Com #201	FIELD	Eddy County, NM Nad 83	STRUCTURE	1625 ST Com #201
------	------------------	-------	------------------------	-----------	------------------

Magnetic Parameters Model: IGRF 2005	Dip: 60.789° Mag Dec: +8.748°	Date: August 24, 2005 FS: 48537.0 nT	Surface Location Lat: N32 54 11.107 Lon: W104 30 48.611	NAD83 New Mexico State Plane, Eastern Zone, US Feet Northing: 682324.00 RLUS Easting: 485856.10 RLUS Grid Conv: -0.08802284° Scale Fact: 0.9999128031	Miscellaneous Shot: 1625 ST Com #201 Plan: 1625 ST Com #201.r2 TVD Ref: RKB (0.00 ft above) Srvy Date: Wed 10:32 AM September 21, 2005
---	----------------------------------	---	---	---	--



INTREPID
Directional Drilling Specialists

