State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised May 08, 2003 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-015-34530 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE \[\] FEE X 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 1625 SALLEE DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Gas Well X Oil Well Other 218885 RECEIVED 9. OGRID Number 2. Name of Operator LCX Energy, LLC MAR 28 2006 3. Address of Operator 10. Pool name or Wildcat 110 N. Marienfeld, Ste. 200, Midland, TX 79701 OOD:APITESIA Cottonwood Creek - Wolfcamp 4. Well Location 760' SOUTH feet from the 660' line and feet from the line Township Section 14 **16S** Range 25E **NMPM** County **EDDY** 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3464' GR 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND **ABANDONMENT** X CASING TEST AND **PULL OR ALTER CASING MULTIPLE** COMPLETION CEMENT JOB OTHER: 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. 2/25/06 - 3/4/06 DRILL 8 3/4" HOLE TO 5181'. CIRCULATE HOLE, POOH AND RUN LOGS. 3/5/06 - 3/7/06 RIG UP BJ SERVICES, SPOT KICK OFF PLUG W/ 560 SX H+1.12%CD-31+5% SALT AT 5180'. WOC 17 HRS. TIH, TAG CEMENT AT 4228'. DRESS PLUG OFF TO 4493'. POOH. 3/8/06 TIH W/ 7 7/8" BIT, BHA, KICK OFF HORIZONTAL HOLE AT 4493' MD. I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Regulatory Agent SIGNATURE_ 3/24/06 ____ DATE ____ Type or print name KANICIA DAVID Telephone No. 432-848-0214 (This space for State use) MAR 2 8 2006 FOR RECORDS ONLY APPROVED BY TITLE

Conditions of approval, if any:

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APPROVED BY

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MAR 2 8 2006