

Submit 3 Copies To Appropriate District

Office

District I

1625 N. French Dr., Hobbs, NM 87240

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

Revised May 08, 2003

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

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|---|
| WELL API NO. 30-015-34857 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name: 1823 NICHOLS |
| 8. Well Number 21 |
| 9. OGRID Number 218885 |
| 10. Pool name or Wildcat |

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | 2. Name of Operator LCX Energy, LLC |
| 3. Address of Operator 110 N. Marienfeld, Ste. 200, Midland, TX 79701 | 4. Well Location Unit Letter <u>M</u> : <u>760</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>WEST</u> line Section <u>2</u> Township <u>18S</u> Range <u>23E</u> NMPM County <u>EDDY</u> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3915' GR | |

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: FRAC ☒

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.

10/17/06 FRAC STAGE #1: 6850' - 7740' (60 - 0.4" HOLES) W/ 5590 GALS 15% HCL ACID, 31,289 GALS SLICK BRINE WATER, 42,789 GALS SLICK WATER, 2000# 20/40 SAND, 5100# LITE PROP 20/40, 47 TONS CO2. MAX PRESSURE 4922 PSI. MAX RATE 79 BPM. ISIP 1583 PSI. AVERAGE PRESSURE 4275 PSI. AVERAGE RATE 73 BPM. SET PLUG AT 6750'.

FRAC STAGE #2: 5925' - 6675' (50 - 0.4" HOLES) W/ 8400 GALS 15% HCL ACID, W/ 19,836 SLICK BRINE WATER, 41,752 GALS SLICK WATER, 2000# 20/40 SAND, 3020# LITE PROP 20/40, 45 TONS CO2. MAX PRESSURE 4999 PSI. MAX RATE 60 BPM. ISIP 2181 PSI. AVERAGE PRESSURE 4822 PSI. AVERAGE RATE 55 BPM. SET PLUG AT 5825'.

FRAC STAGE #3: 4950' - 5725' (50 - 0.4" HOLES) W/ 8400 GALS 15% HCL ACID, W/ 21,096 GALS SLICK BRINE WATER, 58,483 GALS SLICK WATER, 200# 20/40 SAND, 7417# LITE PROP 20/40, 71 TONS CO2. MAX PRESSURE 6500 PSI. MAX RATE 54 BPM. ISIP 2075 PSI. AVERAGE PRESSURE 5300 PSI. AVERAGE RATE 45 BPM. RD BJ EQUIPMENT. START FLOW BACK W/ 1000 PSI CASING PRESSURE.

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

SIGNATURE Kanicia David TITLE Regulatory Agent DATE 10/20/06

Type or print name KANICIA DAVID Telephone No. 432-262-4013

(This space for State use)

APPROVED BY District II Supervisor DATE 12/5/06
Conditions of approval, if any: