

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

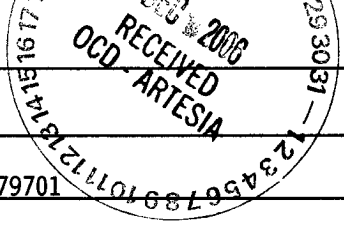
State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised May 08, 2003

WELL API NO. 30-015-34541
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: 1625 STATE
8. Well Number 191
9. OGRID Number 218885
10. Pool name or Wildcat COTTONWOOD 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 <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>0</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>1880</u> feet from the <u>EAST</u> line Section <u>19</u> Township <u>16S</u> Range <u>25E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3584' GR	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

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.

11/20/06 NU BOPS AND WELLHEAD, TEST BOPS AND ALL VALVES, 250 PSI LOW AND 2000 PSI. FUNCTION TEST ACCUMULATOR, OK. TIH W/ 8 3/4" BIT, TAG CEMENT AT 1280', DRILL CEMENT AND PLUG TO 1340', TEST CASING TO 1000 PSI, OK. DRILL CEMENT TO 1345', START DRILLING NEW HOLE. WOC 45 HOURS BEFORE DRILL OUT.

11/21/06 11/27/06 DRILL 8 3/4" HOLE FROM 1345' - 5025'MD. RUN GYRO. RIG UP BAKER ATLAS, LOG WELL, RUN CN LOGS. RIH W/ OPEN ENDED DRILL PIPE AND SPOT A 411 SX CL H KICK OFF PLUG FROM 5065' - 4250'. POOH AND WOC PLUG.

11/28/06 - 12/4/06 WOC 24 HOURS, RIH AND TAG PLUG AT 4254'. DRILL CEMENT FROM 4254' TO 4350', POOH. PU DIRECTIONAL TOOLS W/ 7 7/8" BIT AND TIH. DRILL AND BUILD CURVE SECTION FROM 4350' TO 5179', END OF CURVE SECTION.

CONTINUED...

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

SIGNATURE [Signature] TITLE Regulatory Agent DATE 12/18/06

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

(This space for State use)

APPROVED BY FOR RECORDS ONLY TITLE DATE DEC 27 2006
Conditions of approval, if any: