

District I
1625 N. French, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO.
30-015-34540

5. Indicate Type Of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion:
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐

2. Name of Operator
LCX Energy, LLC

3. Address of Operator
110 N. Marienfeld St. Suite 200, Midland, TX 79701

4. Well Location

Unit Letter A : 760 Feet From The NORTH Line and 660 Feet From The EAST Line

Section 16 Township 17S Range 24E NMPM EDDY County

10. Date Spudded 5/2/06 11. Date T.D. Reached 6/4/06 12. Date Compl. (Ready to Prod.) 12/5/06 13. Elevations (DF & RKB, RT, GR, etc.) 3759' GR 14. Elev. Casinghead

15. Total Depth 8564' MD 16. Plug Back T.D. 8517' 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools X Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 8500' - 6200' 20. Was Directional Survey Made YES

21. Type Electric and Other Logs Run CN 22. Was Well Cored NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	365'	17 1/2"	395 SX CL C	0
9 5/8"	36#	1300'	12 1/4"	780 SX CL C	0
5 1/2"	17#	8564'	8 3/4" / 7 7/8"	967 SX	0

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	5100'	4612'

25. TUBING RECORD

26. Perforation record (interval, size, and number)

6200' - 6830' (50 HOLES), 7050' - 7720' (50 HOLES)
7950' - 8500' (50 HOLES)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
17,000 GALS 15%	HCL ACID, 161,699 GALS SLICK FW,
123200 SLK BRINE	WTR, 6000# 20/40 WHITE SD, 18543#
LITE PROP 125	14/30, 202 TONS CO2.

28. PRODUCTION

Date First Production 12/5/06 Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING Well Status (Prod. or Shut-in) PRODUCING

Date of Test 12/12/06 Hours Tested 24 Choke Size FULL OPEN Prod'n For Test Period Oil - Bbl. Gas - MCF 972 Water - Bbl. Gas - Oil Ratio

Flow Tubing Press. 386 Casing Pressure 0 Calculated 24-Hour Rate Oil - Bbl. Gas - MCF 972 Water - Bbl. Oil Gravity - API -(Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD

Test Witnessed By
BILLY WALKER

30. List Attachments
LOGS

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature KANICIA CARRILLO Printed Name KANICIA CARRILLO Title REGULATORY ANALYST Date 01/15/07
E-mail address KANICIA@EERONLINE.COM

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northeastern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 420'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 1760'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb 3064'	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo 3710'	T.	T. Wingate	T.
T. Wolfcamp 4760'		T. Chinle	T.
T. Penn	T.	T. Permain	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from to
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology
			SEE ATTACHMENT

From	To	Thickness in Feet	Lithology

1724 STATE #161 LITHOLOGY RECORD

<u>FROM</u>	<u>TO</u>	<u>THICKNESS IN FEET</u>	<u>LITHOLOGY</u>
1200	1470	270	ANHYDRITE/DOLOMITE
1470	1800	330	DOLOMITE/LIMESTONE
1800	1840	40	DOLOMITE/LIMESTONE/SAND
1840	2120	280	ANHYDRITE/DOLOMITE
2120	2140	20	DOLOMITE
2140	2210	70	ANHYDRITE/DOLOMITE
2210	2280	70	ANHYDRITE/DOLOMITE/LIMESTONE
2280	2420	140	DOLOMITE/SAND/LIMESTONE
2420	2680	240	DOLOMITE/ANHYDRITE/SAND/LIMESTONE
2680	2830	150	DOLOMITE/SAND/SHALE/SILT
2380	2880	500	ANHYDRITE/DOLOMITE/LIMESTONE
2880	3700	820	ANHYDRITE/SHALE
3700	4050	350	ANHYDRITE/SHALE
4050	4100	50	ANHYDRITE/SHALE/DOLOMITE
4100	4760	660	DOLOMITE/SHALE
4760	7070	2310	DOLOMITE
7070	7550	480	DOLOMITE/LIMESTONE
7550	7800	250	DOLOMITE
7800	7910	110	DOLOMITE/LIMESTONE
7910	8600	690	DOLOMITE