

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

WELL API NO. 30-015-34855
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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	7. Lease Name or Unit Agreement Name: 1724 STATE COM
2. Name of Operator LCX Energy, LLC	8. Well Number 261
3. Address of Operator 110 N. Marienfeld, Ste. 200, Midland, TX 79701	9. OGRID Number 21885
4. Well Location Unit Letter <u>N</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>1880</u> feet from the <u>WEST</u> line Section <u>26</u> Township <u>17S</u> Range <u>24E</u> NMPM County <u>EDDY</u>	10. Pool name or Wildcat
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3725' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: PERF <input checked="" 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.

1/8/07 - 1/13/07 MIRU PULLING UNIT. RIH W/ 4 3/4" BIT AND 2 7/8" TUBING. TAG AT 8682', CLEAN OUT FROM 8682' TO 8690'. POOH. TIH W/ 4 3/4" BIT AND 5 1/2" CASING SCRAPER TO 8685', TEST CASING TO 5000#. PICKLE TUBING AND CASING W/ 1000 GALS PICKLE ACID, SPOT 5000 GALS 15% HCL W/ 2X INHIBITORS. POOH. TIH W/ TCP GUNS, SHOOT HOLES AS FOLLOWS, 8650' (12H), 8435' (11H), 8220' (10H), 8000' (9H), 7785' (8H). ACIDIZE W/ 5000 GALS 15% HCL, PUMP AT 14 BPM @ 4300 PSI. ISDP= 1200 PSI. POOH W/ TBG. ND BOPS, NU FRAC VALVE. WO FRAC.

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 01/15/07

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

(This space for State use)

FOR RECORDS ONLY

APPROVED BY [Signature] TITLE [Signature] DATE JAN 22 2007

Conditions of approval, if any: