OPERATOR'S COPY

Form 3 (Februa: NDRY NOTICES AND REPORTS ON WELLS

Subsequent Report

Final Abandonment Notice

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No 1004-0137 Expires. March 31, 2007

If Indian, Allottee or Tribe Name

5 Lease Serial No

46 P801 MH

Well Integrity

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Casing Repair

Convert to Injection

Change Plans

7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well Öil Well ✓ Gas Well Other 8. Well Name and No. 1823 FED COM 181 2 Name of Operator LCX ENERGY, LLC 9. API Well No. 30-015-35227 3b Phone No (include area code) 3a Address 110 N. MARIENFELD, SUITE 200 432-687-1575 10. Field and Pool, or Exploratory Area Cottonwood Creek - Wolfcamp 12 2007 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 660 FSL & 1880 FEL, SEC 18, T18S, R23E **OCD-ARTESIA** EDDY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Reclamation

Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Fracture Treat

☐ Plug Back

New Construction

Plug and Abandon

Recomplete

Water Disposal

Temporarily Abandon

PLEASE FIND THE ATTACHED DIAGRAM SHOWING THE BEFORE AND AFTER PAD SITE RECLAMATION PLAT FOR THE 1823 FED COM 181. ALL RECLAIMED AREAS WIL BE RESEEDED AS PER BLM STANDARDS LISTED IN THE APPROVED APD.

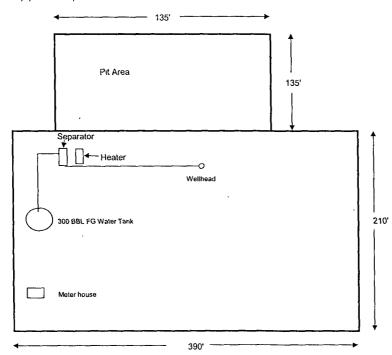
THE STATE FORM C-144 HAS BEEN FILED WITH THE STATE (COPY ATTACHED)AND WORK WILL START SOON.

| / nata | APPROV | <u>/ </u> |
|--|---------------------------------|--|
| 89101112 133 F | JUL 7 2 JAMES A. AM SUPERVISOR | |
| 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) KANICIA CARRILLO | Title REGULATORY ANALYST | |
| Signature Signature | Date 05/23/2007 | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | |
| Approved by | Title Date | |
| Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject le which would entitle the applicant to conduct operations thereon. | • | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction | | |

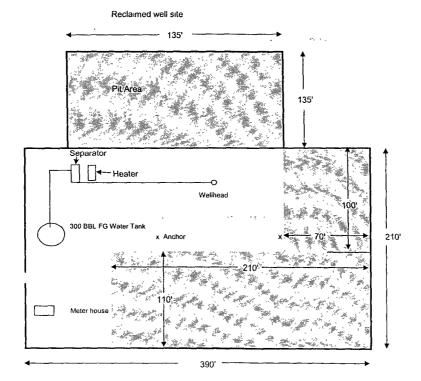
(Instructions on page 2)

1823 Fed Com 181API # 30 - 015 - 35227
660' FSL & 1880' FEL, Sec 18, T18S, R23E
Eddy Co , New Mexico

Production Equipment set up:



Reclaimed area in gray



Reclaimed area