

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. 30-015-34540
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: 1724 STATE
8. Well Number 161
9. OGRID Number 218885
10. Pool name or Wildcat COLLINS RANCH-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 ☐ Gas Well ☒ Other	7. Lease Name or Unit Agreement Name: 1724 STATE
2. Name of Operator LCX Energy, LLC	8. Well Number 161
3. Address of Operator 110 N. Marienfeld, Ste. 200, Midland, TX 79701	9. OGRID Number 218885
4. Well Location Unit Letter <u>P</u> : <u>660'</u> feet from the <u>SOUTH</u> line and <u>760'</u> feet from the <u>EAST</u> line Section <u>16</u> Township <u>17S</u> Range <u>24E</u> NMPM County <u>EDDY</u>	10. Pool name or Wildcat COLLINS RANCH-WOLFCAMP
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3769' 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: MOVE LOCATION ☒

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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.

MAR 08 2006

OCU-ARTECO

1. MOVE SURFACE LOCATION FROM 660' FSL & 760' FEL AND BOTTOM HOLE LOCATION FROM 660' FNL & 760' FEL.
2. NEW LOCATION AS FOLLOWS: SURFACE LOCATION AT 660' FEL & 760' FNL AND BOTTOM HOLE LOCATION AT 660' FWL & 760' FNL.
3. PLEASE FIND ATTACHED A NEW FORM C-102 W/SURVEY ATTACHMENTS. ALSO ATTACHED IS A NEW DIRECTIONAL PLAN FOR THIS HORIZONTAL WELL.

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

SIGNATURE Kernicia David TITLE Regulatory Agent DATE 3/6/06

Type or print name KERNICIA DAVID Telephone No. 432-848-0214

(This space for State Use)
APPROVED BY John W. Green DATE MAR 09 2006
Conditions of approval, if any:

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name 1724 STATE	Well Number 161
OGRID No.	Operator Name LCX ENERGY, LLC	Elevation 3759'

Surface Location

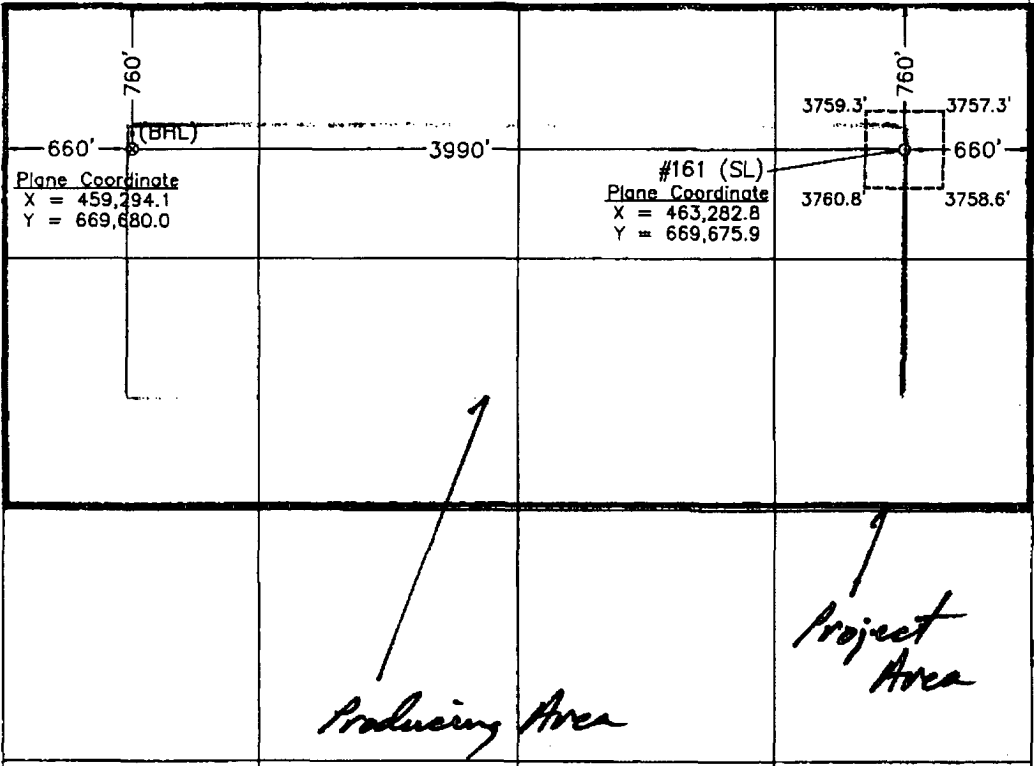
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	17 S	24 E		760	NORTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	17 S	24 E		760	NORTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

 NOTE: 1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1983. Distances shown hereon are mean horizontal surface values.	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Kanicia David</i> Signature <i>Kanicia David</i> Printed Name <i>Regulatory Analyst</i> Title <i>3/9/06</i> Date SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. February 23, 2006 Date Surveyed Signature & Seal of Professional Surveyor <i>[Signature]</i> W.O. Num. 2006-0116 Certificate No. MACON McDONALD 12185
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1625 N. French Dr., Hobbs, NM 88240

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Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
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2040 South Pacheco
Santa Fe, NM 87505

RECEIVED

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☐ AMENDED REPORT

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OGRID No.	Operator Name LCX ENERGY, LLC	Elevation 3759'

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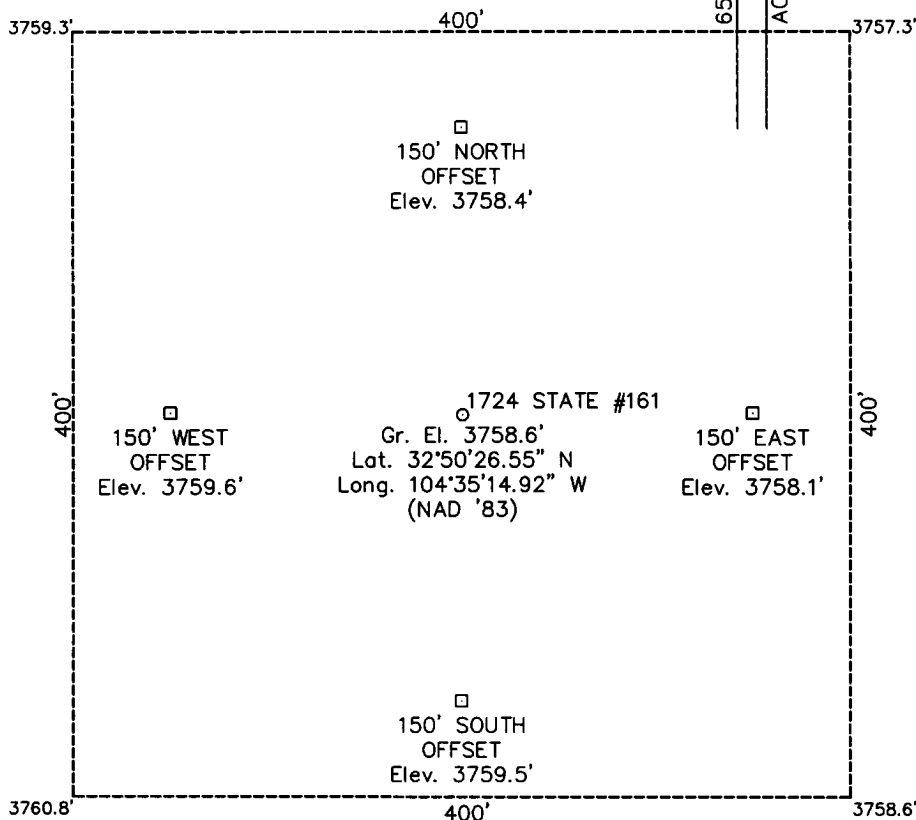
Plane Coordinate X = 459,294.1 Y = 669,680.0 #161 (SL) Plane Coordinate X = 463,282.8 Y = 669,675.9 Producing Area Project Area	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature _____ Printed Name _____ Title _____ Date _____ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my upervision and that the same is true and orrect to the best of my belief. February 23, 2006 Date Surveyed _____ Signature & Seal of Professional Surveyor _____ 12185 W.O. Num. 2006-0116 Certificate No. MACON McDONALD 12185
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SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO

L-2006-0116



DRIVING DIRECTIONS

FROM INTERSECTION OF HWY 285 & HWY 82 IN ARTESIA, GO WEST ALONG HWY 82 11.0 MILES; THEN GO SOUTH ALONG NEW ACCESS ROAD 651 FEET TO PROPOSED LOCATION.

LCX ENERGY, LLC

1724 STATE #161

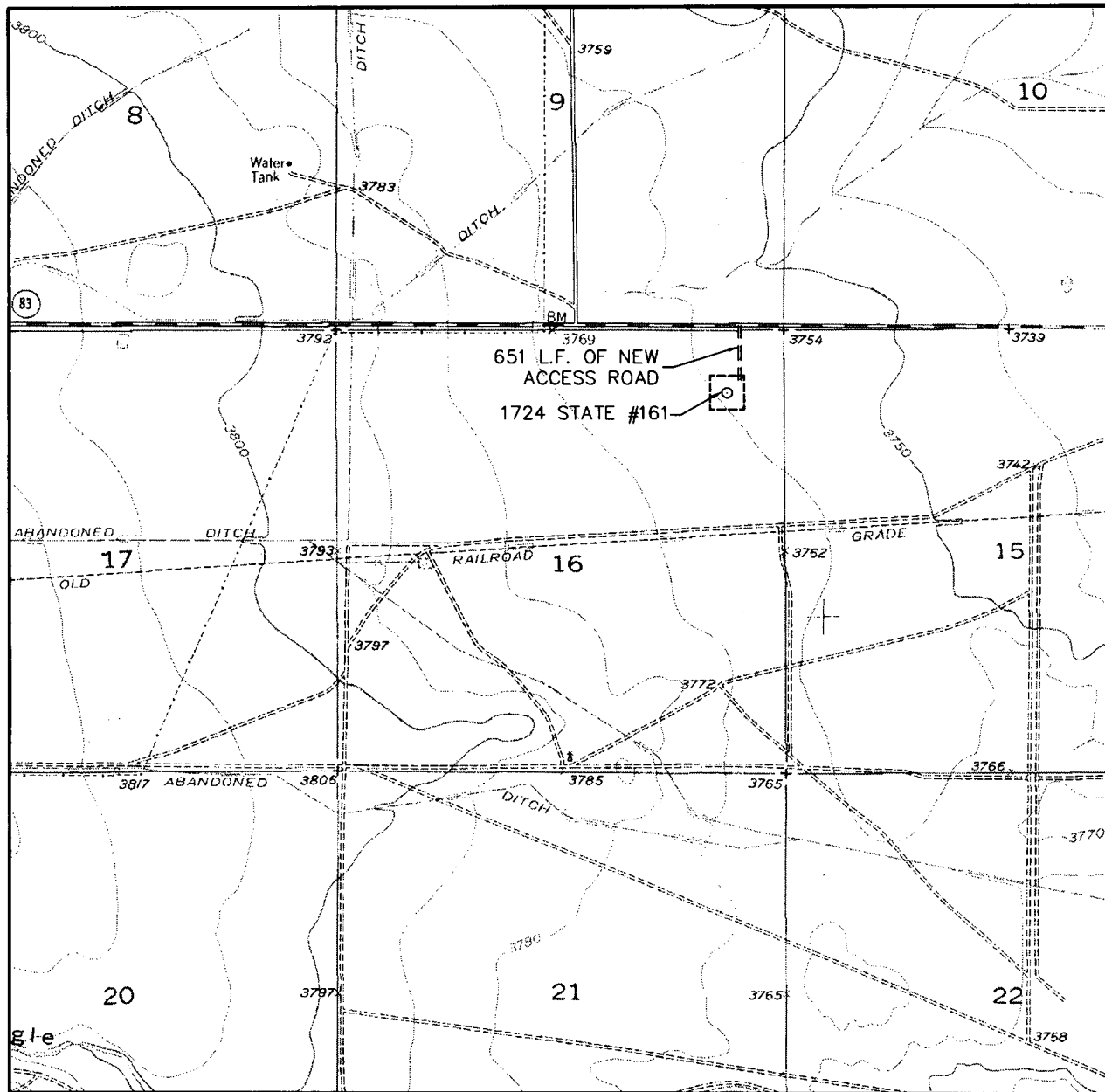
Located 760' FNL & 660' FEL, Section 16
Township 17 South, Range 24 East, N.M.P.M.
Eddy County, New Mexico

**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

Drawn By: LVA	Date: February 27, 2006
Scale: 1"=100'	Field Book: 326 / 39-41
Revision Date:	Quadrangle: Hope SE
W.O. No: 2006-0116	Dwg. No.: L-2006-0116

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HOPE SE - 10'

SEC. 16 TWP. 17-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 760' FNL & 660' FEL

ELEVATION 3759'

OPERATOR LCX ENERGY, LLC

LEASE 1724 STATE

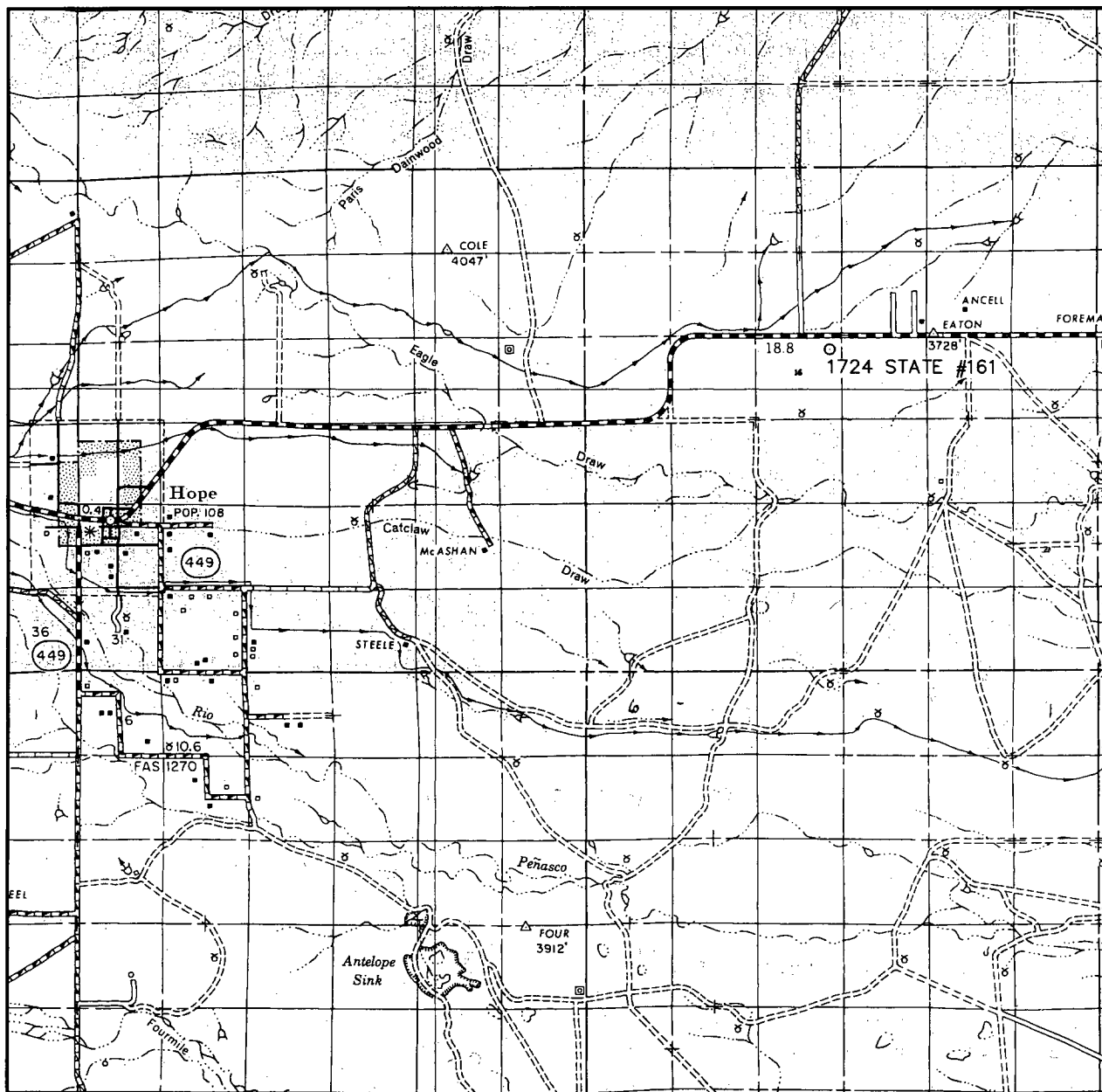
U.S.G.S. TOPOGRAPHIC MAP
HOPE SE, N.M.



WEST
COMPANY
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 16 TWP. 17-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 760' FNL & 660' FEL

ELEVATION 3759'

OPERATOR LCX ENERGY, LLC

LEASE 1724 STATE



**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

RECEIVED
MAR 08 2006
OCU-ARTESIA



Proposal

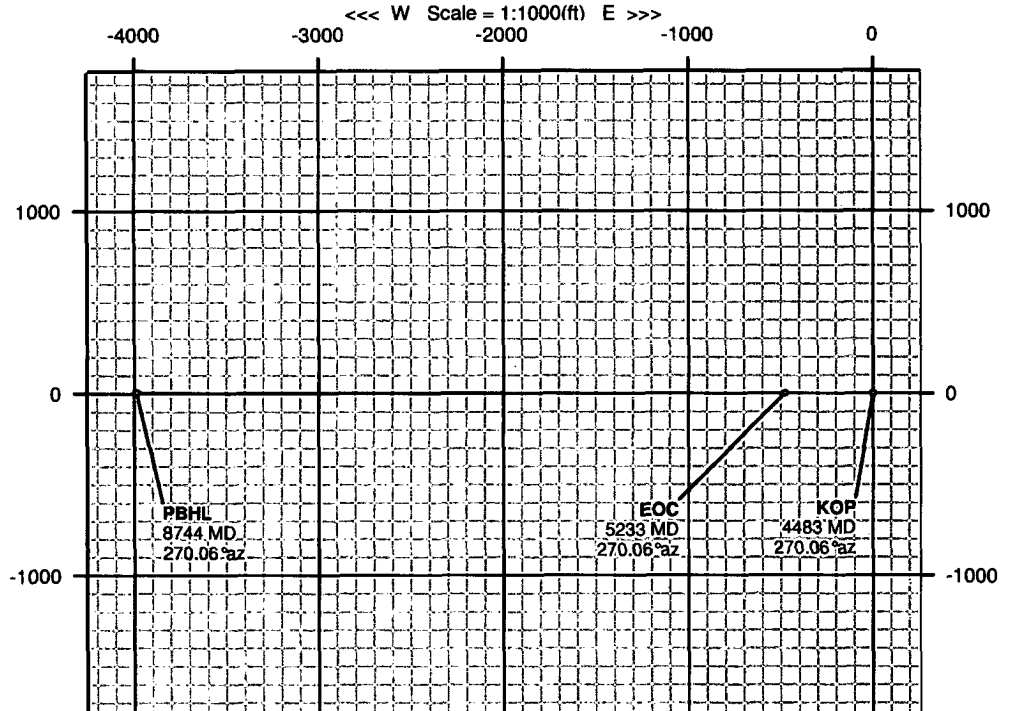
Report Date: March 6, 2006	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: LCX Energy LLC.	Vertical Section Azimuth: 270.600°
Field: Eddy County, NM Nad 83	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: 1724 State #161 / 1724 State #161	TVD Reference Datum: RKB
Well: 1724 State #161	TVD Reference Elevation: 0.0 ft relative to
Borehole: 1724 State #161	Sea Bed / Ground Level Elevation: 0.000 ft relative to
UWI/API#:	Magnetic Declination: 8.734°
Survey Name / Date: 1724 State #161_r3 / March 6, 2006	Total Field Strength: 49456.754 nT
Tort / AHD / DDI / ERD ratio: 90.000° / 3989.04 ft / 5.801 / 0.804	Magnetic Dip: 60.710°
Grid Coordinate System: NAD83 New Mexico State Planes, Eastern Zone, US Feet	Declination Date: December 28, 2005
Location Lat/Long: N 32 50 26.543, W 104 35 14.922	Magnetic Declination Model: IGRF 2005
Location Grid N/E Y/X: N 669675.900 ftUS, E 463282.800 ftUS	North Reference: Grid North
Grid Convergence Angle: -0.13782480°	Total Corr Mag North -> Grid North: +8.872°
Grid Scale Factor: 0.99991607	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	0.00	0.00	270.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-89.94M
KOP	4482.54	0.00	270.06	4482.54	0.00	0.00	0.00	0.00	0.00	0.00	-89.94M
	4500.00	2.10	270.06	4500.00	0.32	0.00	-0.32	0.32	270.06	12.00	-89.94M
	4600.00	14.10	270.06	4598.82	14.38	0.01	-14.38	14.38	270.06	12.00	0.00G
	4700.00	26.10	270.06	4692.56	48.67	0.05	-48.67	48.67	270.06	12.00	0.00G
	4800.00	38.10	270.06	4777.12	101.70	0.10	-101.71	101.71	270.06	12.00	0.00G
	4900.00	50.10	270.06	4848.81	171.16	0.18	-171.17	171.17	270.06	12.00	0.00G
	5000.00	62.10	270.06	4904.49	254.00	0.26	-254.01	254.01	270.06	12.00	0.00G
	5100.00	74.10	270.06	4941.72	346.61	0.36	-346.62	346.63	270.06	12.00	0.00G
	5200.00	86.10	270.06	4958.89	444.94	0.46	-444.95	444.95	270.06	12.00	0.00G
EOC	5232.54	90.00	270.06	4960.00	477.44	0.49	-477.46	477.46	270.06	12.00	0.00G
	5300.00	90.00	270.06	4960.00	544.91	0.56	-544.93	544.93	270.06	0.00	0.00G
	5400.00	90.00	270.06	4960.00	644.90	0.66	-644.93	644.93	270.06	0.00	0.00G
	5500.00	90.00	270.06	4960.00	744.90	0.77	-744.93	744.93	270.06	0.00	0.00G
	5600.00	90.00	270.06	4960.00	844.89	0.87	-844.93	844.93	270.06	0.00	0.00G
	5700.00	90.00	270.06	4960.00	944.89	0.97	-944.93	944.93	270.06	0.00	0.00G
	5800.00	90.00	270.06	4960.00	1044.88	1.07	-1044.93	1044.93	270.06	0.00	0.00G
	5900.00	90.00	270.06	4960.00	1144.88	1.18	-1144.93	1144.93	270.06	0.00	0.00G
	6000.00	90.00	270.06	4960.00	1244.87	1.28	-1244.93	1244.93	270.06	0.00	0.00G
	6100.00	90.00	270.06	4960.00	1344.87	1.38	-1344.93	1344.93	270.06	0.00	0.00G
	6200.00	90.00	270.06	4960.00	1444.87	1.49	-1444.93	1444.93	270.06	0.00	0.00G
	6300.00	90.00	270.06	4960.00	1544.86	1.59	-1544.93	1544.93	270.06	0.00	0.00G
	6400.00	90.00	270.06	4960.00	1644.86	1.69	-1644.93	1644.93	270.06	0.00	0.00G
	6500.00	90.00	270.06	4960.00	1744.85	1.79	-1744.93	1744.93	270.06	0.00	0.00G
	6600.00	90.00	270.06	4960.00	1844.85	1.90	-1844.93	1844.93	270.06	0.00	0.00G
	6700.00	90.00	270.06	4960.00	1944.84	2.00	-1944.93	1944.93	270.06	0.00	0.00G
	6800.00	90.00	270.06	4960.00	2044.84	2.10	-2044.93	2044.93	270.06	0.00	0.00G
	6900.00	90.00	270.06	4960.00	2144.83	2.20	-2144.93	2144.93	270.06	0.00	0.00G
	7000.00	90.00	270.06	4960.00	2244.83	2.31	-2244.93	2244.93	270.06	0.00	0.00G
	7100.00	90.00	270.06	4960.00	2344.83	2.41	-2344.93	2344.93	270.06	0.00	0.00G
	7200.00	90.00	270.06	4960.00	2444.82	2.51	-2444.93	2444.93	270.06	0.00	0.00G
	7300.00	90.00	270.06	4960.00	2544.82	2.62	-2544.93	2544.93	270.06	0.00	0.00G
	7400.00	90.00	270.06	4960.00	2644.81	2.72	-2644.93	2644.93	270.06	0.00	0.00G
	7500.00	90.00	270.06	4960.00	2744.81	2.82	-2744.93	2744.93	270.06	0.00	0.00G
	7600.00	90.00	270.06	4960.00	2844.80	2.92	-2844.93	2844.93	270.06	0.00	0.00G
	7700.00	90.00	270.06	4960.00	2944.80	3.03	-2944.93	2944.93	270.06	0.00	0.00G
	7800.00	90.00	270.06	4960.00	3044.79	3.13	-3044.93	3044.93	270.06	0.00	0.00G
	7900.00	90.00	270.06	4960.00	3144.79	3.23	-3144.93	3144.93	270.06	0.00	0.00G

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
	8000.00	90.00	270.06	4960.00	3244.78	3.34	-3244.93	3244.93	270.06	0.00	0.00G
	8100.00	90.00	270.06	4960.00	3344.78	3.44	-3344.93	3344.93	270.06	0.00	0.00G
	8200.00	90.00	270.06	4960.00	3444.78	3.54	-3444.93	3444.93	270.06	0.00	0.00G
	8300.00	90.00	270.06	4960.00	3544.77	3.64	-3544.93	3544.93	270.06	0.00	0.00G
	8400.00	90.00	270.06	4960.00	3644.77	3.75	-3644.93	3644.93	270.06	0.00	0.00G
	8500.00	90.00	270.06	4960.00	3744.76	3.85	-3744.93	3744.93	270.06	0.00	0.00G
	8600.00	90.00	270.06	4960.00	3844.76	3.95	-3844.93	3844.93	270.06	0.00	0.00G
	8700.00	90.00	270.06	4960.00	3944.75	4.06	-3944.93	3944.93	270.06	0.00	0.00G
PBHL	8744.12	90.00	270.06	4960.00	3988.87	4.10	-3989.04	3989.04	270.06	0.00	0.00G

LCX Energy LLC.

WELL		FIELD		STRUCTURE	
1724 State #161		Eddy County, NM		1724 State #161	
Magnetic Parameters Model: IGRF 2005 Dip: 60.710° Mag Dec: +8.734°		Surface Location Lat: N32 50 28.543 Lon: W104 35 14.922		NAD83 New Mexico State Plane, Eastern Zone, US Feet Northing: 696975.80 HUS Easting: 483282.80 HUS Grid Con: -0.13782480° Scale Fact: 0.9999180677	
				Miscellaneous Sht: 1724 State #161 Plan: 1724 State #161 J3 TVD Ref: PKB (0.00 ft above) Srvy Date: Mon 08:09 AM March 05, 2006	



Critical Points								
Critical Point	MD	INCL	AZIM	TYD	YSEC	N(+) / S(-)	E(+) / W(-)	DLS
Tie-In	0.00	0.00	270.06	0.00	0.00	0.00	0.00	0.00
KOP	4482.54	0.00	270.06	4482.54	0.00	0.00	0.00	0.00
EOC	5232.54	90.00	270.06	4960.00	477.44	0.49	-477.46	12.00
PBHL	8744.12	90.00	270.06	4960.00	3988.87	4.10	-3989.04	0.00

