

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. 30-015-34248
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: 1724 KINCAID
8. Well Number 111
9. OGRID Number 218885
10. Pool name or Wildcat UNDES. EAGLE 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	RECEIVED
2. Name of Operator LCX ENERGY, LLC	MAR 08 2006 OFFICE OF THE ATTORNEY GENERAL
3. Address of Operator 110 N. MARIENFELD, SUITE 200, MIDLAND, TX 79701	
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>760</u> feet from the <u>West</u> line Section <u>11</u> Township <u>17S</u> Range <u>24E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3702' 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: ☐

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.

2/4/06 - 2/12/06 DRILL FLOAT, CEMENT AND SHOE, TEST CASING TO 1000#, HELD OK. DRILL FROM 1292' TO 5000'. LOG WELL WITH TRIPLE COMBO LOG. RUN GYRO LOG.
2/13/06 SPOT CEMENT KICK OFF PLUG W/ 475 SX CL H+.09%D65+.1%D13, WT 17.5 PPG 5000' TO 4060'. POOH. WOC 16.5 HRS.
2/14/06 TIH AND TAG CEMENT AT 4110'. DRILLED SOFT CEMENT TO 4255'. WOC AND ADDITIONAL 6.5 HRS. TIH AND DRESS OFF PLUG TO 4290'. CEMENT OK. TOH. PICKUP MOTOR AND DIRECTIONAL TOOLS.
2/15/06 -2/21/06 TIH W/DIRECTIONAL TOOLS, DRILL CURVED SECTION OF HOLE FROM 4290' TO 5152' W/ 8 3/4" BIT. POOH W/ BIT. TIHW W/ 7 7/8" BIT AND DIRECTIONAL TOOLS. DRILL LATERAL.
2/21/06 - 2/28/06 DRILL 7 7/8" LATERAL FROM 5152' TO 8979'. TD WELL AT 8979' MD. CIRCULATE HOLE, POOH TO RUN CASING.

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

SIGNATURE Kanicia David TITLE Regulatory Tech DATE 3/3/06

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

(This space for State use)

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

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. 30-015-34248
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: 1724 KINCAID
8. Well Number 111
9. OGRID Number 218885
10. Pool name or Wildcat UNDES. EAGLE 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, SUITE 200, MIDLAND, TX 79701	
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>760</u> feet from the <u>West</u> line Section <u>11</u> Township <u>17S</u> Range <u>24E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3702' 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: ☐

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.

3/1/06 RIG UP AND RUN 5 1/2" CASING. RUN 5 1/2" FLOAT SHOE, 1JT P110/BTC, 17# SHOE JOINT.
1-P110/BTC FLOAT COLLAR SET AT 8935'. 118 JTS 4950' 17# P110/BTC, 1 XO JT P110/N80, BTC/LTC. 96 JTS
3992' 5 1/2" 17# N80 LTC. SET CASING AT 8990.

3/2/06 RIG UP CEMENTERS, CEMENT CASING W/ 730 SX 50/50 POZ/H+101 DW+1/8PPS, D130+.2%D46+D44 WT 11.9 PPg, YIELD 2.46. FOLLOWED BY 350 SX C+200%D151+2%D13+.05% D112+.15 GPS DEFOAMER+.5%GPD M45 WT 14.54, YIELD 3.97. DISPLACED WITH 207 BBL F/W BUMP PLUG W/ 1930#. CIRCULATE 112 SX OF CEMENT TO RESERVE PIT. PLUG DOWN, HELD OK. NIPPLE DOWN BOP'S. WO COMPLETION AND FRAC.

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

SIGNATURE Kanicia David TITLE Regulatory Tech DATE 3/3/06

Type or print name KANICIA DAVID

Telephone No. 432-848-0214

(This space for State use)

MAR 09 2006

APPROVED BY FOR RECORDS ONLY TITLE _____ DATE _____

Conditions of approval, if any: