State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised May 08, 2003 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-015-34248 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE FEE X 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 1724 KINCAID DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well X Other 218885 RECEIVED 9. OGRID Number 2. Name of Operator LCX ENERGY, LLC JUN 2 8 2006 3. Address of Operator 10. Pool name or Wildcat OCD-ARTERIA UNDES. EAGLE CREEK - WOLFCAMP 110 N. MARIENFELD. SUITE 200. MIDLAND. TX 79701 4. Well Location 259 NORTH 990 West feet from the line and feet from the line Township **17S** 24E **NMPM** Eddy Section 11 Range County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3699'GR 12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON COMMENCE DRILLING OPNS. **PLUG AND** CHANGE PLANS 1 11 **ABANDONMENT** X **CASING TEST AND PULL OR ALTER CASING** MULTIPLE COMPLETION **CEMENT JOB** OTHER: 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. 05/09/06 RIG UP PETROPLEX EQUIPMENT. FRAC STAGE 1, 8970' - 8200' (61 - 0.42" HOLES) W/ 4620 GALS 15% HCL ACID 18.552 GALS FRESH WATER. 32.970 GALS BRINE WATER. 7.798 LBS OF LITE PROP. 83.5 BPM @ 4360 PSI. ISIP 1560 PSI. SET PLUG AT 8000'. FRAC STAGE 2: 8000' - 7215' (53 - 0.42" HOLES) W/ 4620 GALS 15% ACID. 32970 GALS BRINE WATER.49728 GALS FRESH WATER, 5420 LBS LITE PROP. 80 BPM @ 4800 PSI, ISIP 1570 PSI. SET PLUG AT 7145. 05/10/0 6- 05/11/06 FRAC STAGE 3: 7045' - 6275' (53 - 0.42" HOLES) W/ 4788 GALS 15% HCL ACID. 37800 GALS BRINE WATER. 42462 FRESH WATER. 5530 LBS LITE PROP 20/40. 86 BPM @ 4000 PSI. ISIP 1781 PSI. SET PLUG AT 6140'. FRAC STAGE 4: 6040' - 5130' (53 - 0.42" HOLES) W/ 9282 GLS 15% HCL ACID, 37800 GALS BRINE WATER, 42462 GALS FRESH WATER, 7749 LBS LITE PROP 20/40. 83 BPM @4900 PSI. ISIP 1327 PSI. SET PACKER AT 4700'. 5/18/06 SET PAKER ON WIRELINE AT 4575'. RUN 2 3/8" TUBING, LATCH ONTO PAKCER. FLOW TEST WELL. WO ON GAS LINE CONNECTION. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Regulatory Tech 6/21/06 TITLE____ Type or print name KANICIA DAVID Telephone No. 432-848-0214 (This space for State use)

TITLE_

DATE

FOR RECORDS ONLY

APPROVED BY

Conditions of approval, if any: