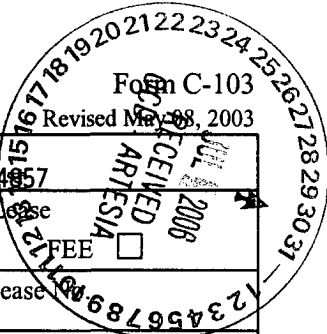


Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-34857
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LCX Energy, LLC		6. State Oil & Gas Lease
3. Address of Operator 110 N. Marienfeld, Ste. 200, Midland, TX 79701		7. Lease Name or Unit Agreement Name: 1823 NICHOLS
4. Well Location Unit Letter <u>M</u> : <u>760</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>WEST</u> line Section <u>2</u> Township <u>18S</u> Range <u>23E</u> NMPM County <u>EDDY</u>		8. Well Number 21
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3915' GR		9. OGRID Number 218885
		10. Pool name or Wildcat

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.

7/15/06 - 7/19/06 SPUD 17 1/2" HOLE AT 3:30 PM. DRILL TO 1300', SWEEP HOLE, POOH W/BIT. RU CASING CREW.

RUN 9 5/8" 36# J-55 CASING, FLOAT SHOE 36# J-55 ST&C, 1 JT 9 5/8" CASING 36# J-55 ST&C, INSERT FLOAT AT 1248'. 29 JTS 9 5/8" CASING 36# J-55 ST&C, SET CASING AT 1295'. RU CEMENTERS. LEAD - 11.0#, YIELD 2.75, 360 SXS PVL +12% D-20, +3% BWOW+0.2% D-46+6 PPS.D-24+0.125 PPS. D-130. TAIL - 14.8#, YIELD 1.33, 200 SXS, CLASS C+2% S-1. CIRCULATED TO SURFACE.DROP PLUG AND DISPLACED WITH 96 BBLS FRESH WATER. BUMP PLUG W/ 625#. FLOAT HELD OK. RD CEMENTERS. CUT CONDUCTOR, INSTALL AND WELD CASING HEAD. TEST HEAD TO 1000#.OK. NU BOP. TEST BOP'S TO 1000 PSI, OK. TOTAL WOC 33.5 HOURS BEFORE DRILLING OUT CEMENT.

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

SIGNATURE Kanicia David TITLE Regulatory Agent DATE 7/28/06

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

(This space for State use)

FOR RECORDS ONLY

AUG 03 2006

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any: