

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 7501C	Well Name UNDES. Collins Ranch - WOLF CAMP
Property Code 34965	Property Name 1724 OSBOURN	Well Number 101
OGRID No. 218885	Operator Name LCX ENERGY, LLC	Elevation 3729

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	17 S	24 E		660	NORTH	1880	EAST	EDDY

Bottom Hole Location If Different From Surface

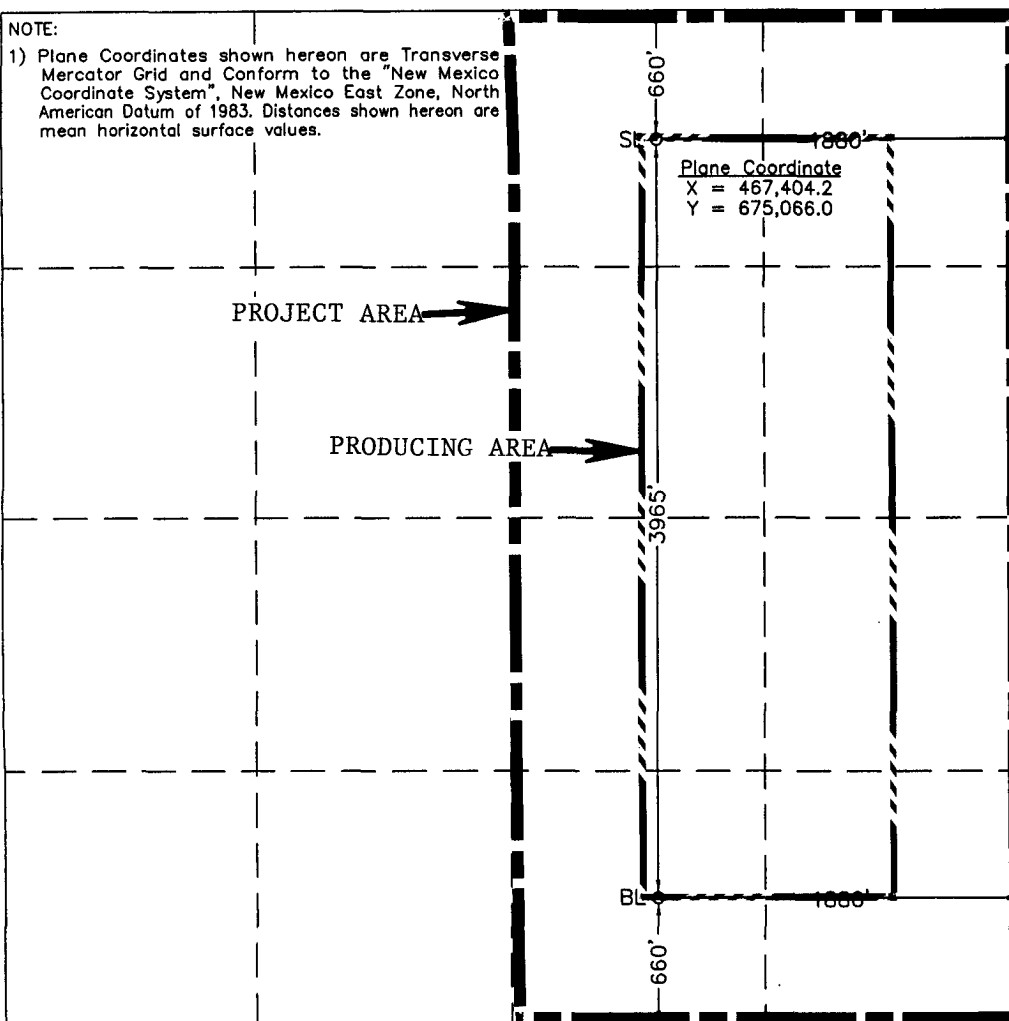
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	17 S	24 E		660	SOUTH	1880	EAST	EDDY

Dedicated Acres 320	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.

Joe T. Janice
Signature
Joe T. Janice
Printed Name
Agent
Title
01/08/07
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.

September 13, 2005

Date Surveyed
Signature & Seal of
Professional Surveyor

W.O. Num. 2005-0649
W.O. Num. 2005-0649

Certificate No. MACON McDONALD 12185

LCX ENERGY, LLC
110 N. Marienfeld St., Suite 200
Midland, TX 79701

**Horizontal Drilling Procedure
Abo Wildcat Horizontals
(Eddy Co., NM)**

1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17-1/2" hole to 350'.
3. Drill 12-1/4" hole to 1200'. Run and set 1200' of 9-5/8" 36# J-55 ST&C casing. Cement with 375 sx of 35/65 Poz/C + 5% NaCl + 6% Bentonite, tail in with 100 sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
4. Drill 7-7/8" or 8-3/4" hole to approx. 5000'. Set cement kick-off plug from TD to approx. 4400 ft with 150 sx H + 0.5% dispersant.
5. Dress cement top to desired kick-off point. Drill 7-7/8" curve and land lateral in pay zone (approx. 4900 ft TVD). Pickup lateral drilling assembly with an 8-3/4" or 7-7/8" bit and drill a +/-4000' lateral to 660' from lease line (approx. 4000 ft vertical section).
6. Run and set 5-1/2" 17# N80 or stronger production casing. Cement 5-1/2" with acid soluble cement through the lateral and 400 sx 50/50 Poz/C + 10% gel and tail in with 200 sx C + 200% CaCO₃ (acid soluble cement) + fluid loss additive + retarder (as required), attempting to bring top of cement to 1,000'.

Contingency Strings:

If lost circulation occurs in the surface hole:

- 2a. Run and set 350' of 13-3/8" 48# H-40 ST&C casing. Cement with 200 sx 35/65 Poz/C + 6% gel and tail in with 200 sx of Class "C" cement + 2% CaCl, circulate cement to surface.

If hole conditions dictate running a 7" contingency string in the 8-3/4" hole :

- 4a. Run approx. 5100 ft 7" 26# J55 or stronger casing to TD. Cement with 700 sx class 'C' cement + add's attempting bringing TOC to approx. 1,000 ft. This may be done in the vertical pilot hole or at the end of the 8-3/4" curve section.
- 4b. Run whipstock and cut a window in the 7" casing (or drill out with 6-1/8" BHA if 7" set at end of curve). Drill to TD.
- 5a. Step 5 will be omitted.
- 6a. Run and set approximately 4400 ft 4-1/2" 11.6# N/L80 liner from TD to approximately 200' above the window/7" casing shoe. Cement with approx. 110 sx C + 200% CaCO₃ (acid soluble cement) + add's attempting to bring TOC above liner top.

FRESH WATER WILL BE USED TO DRILL THE 350' HOLE AND THE 1200' HOLE.

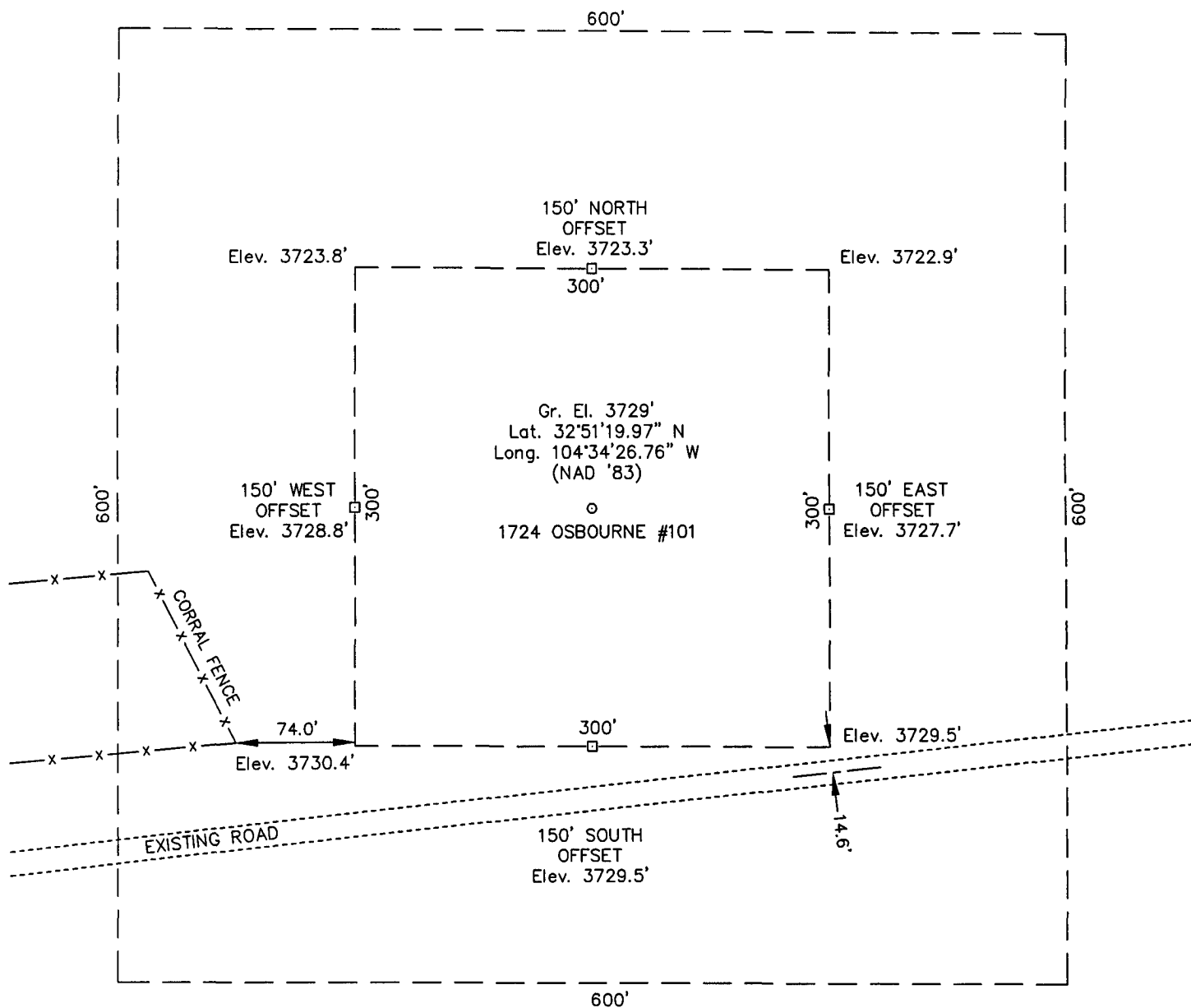
THERE IS NO KNOWN PRESENCE OF ANY H₂S IN THIS AREA. OTHER WELLS DRILLED HAVE NOT ENCOUNTERED ANY HYDROGEN SULFIDE WHILE DRILLING.

SECTION 10, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO

L-2005-0649



DRIVING DIRECTIONS

From the intersection of Highways 285 and 82 in Artesia, Drive West on Highway 82 for approximately 9.2 miles to Sundown Trail. Turn right and proceed North on Sundown Trail for 1.0 miles. Turn left and proceed West on a dirt road approximately 0.4 miles to a dirt road to the left. Turn left and extend Southwesterly on a dirt road approximately 0.2 miles to a point. The location is North approximately 350 feet.

LCX ENERGY, LLC

1724 OSBOURN #101

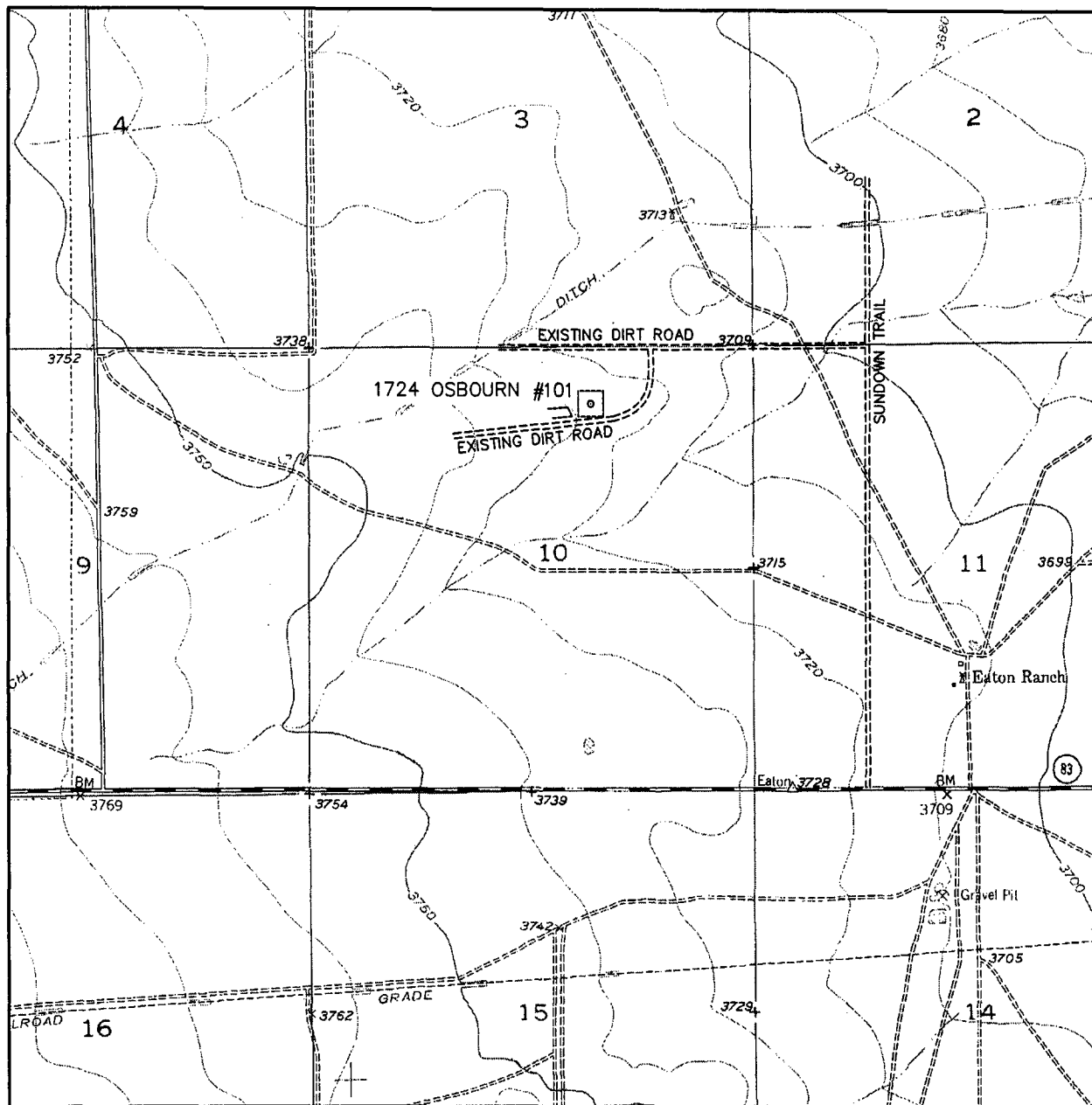
Located 660' FNL & 1880' FEL, Section 10
Township 17 S, Range 24 E, N.M.P.M.
Eddy County, New Mexico

**WEST
COMPANY**
of Midland, Inc.

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

Drawn By: JSR	Date: September 13, 2005
Scale: 1"=100'	Field Book: 303 / 58
Revision Date:	Quadrangle: Espuela
W.O. No: 2005-0649	Dwg. No.: L-2005-0649

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HOPE SE - 10'

SEC. 10 TWP. 17-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FNL & 1880' FEL

ELEVATION 3729'

OPERATOR LCX ENERGY, LLC

LEASE 1724 OSBOURN #101

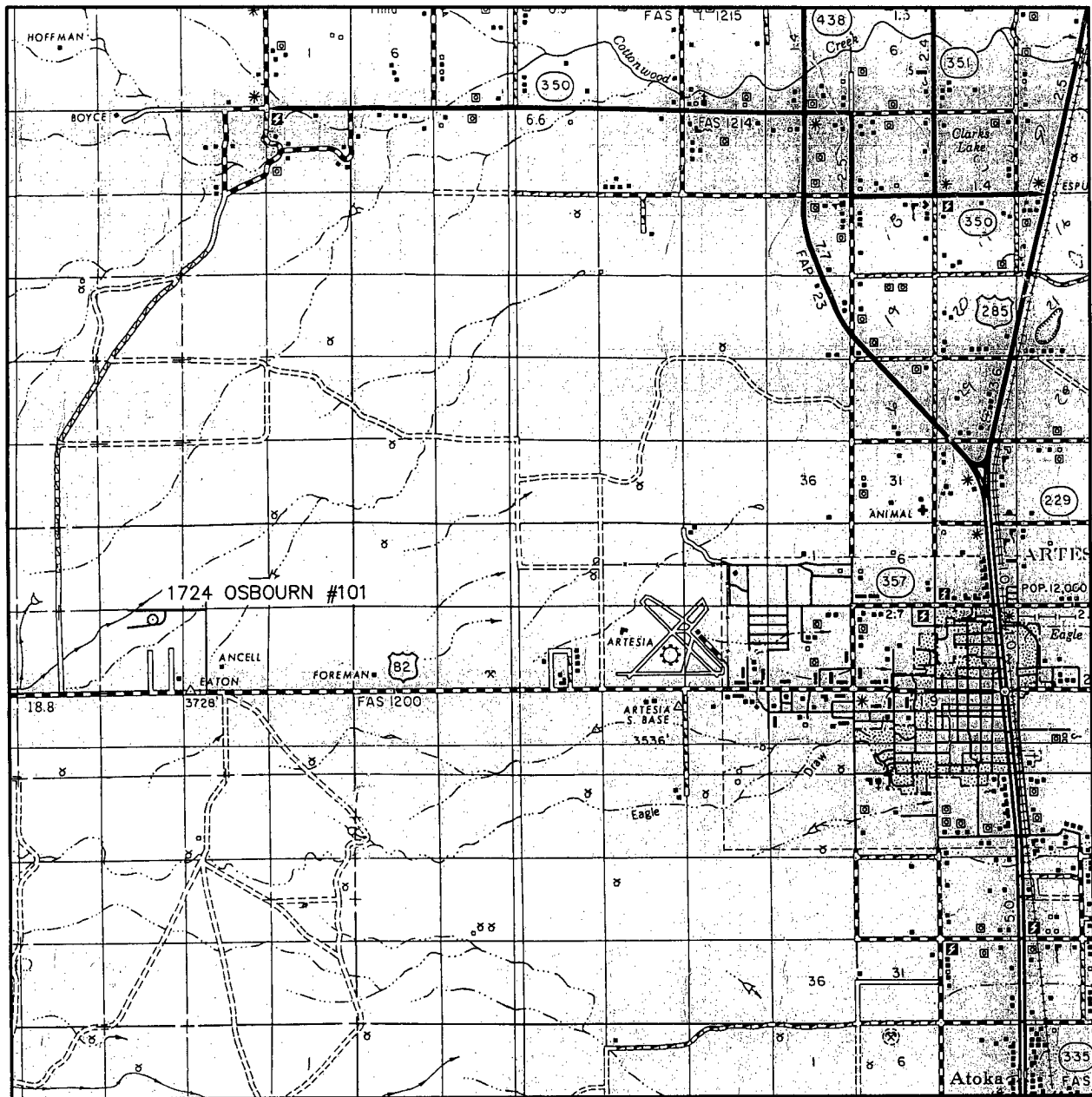
U.S.G.S. TOPOGRAPHIC MAP
HOPE SE, N.M.



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VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 17-S RGE. 24-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 660' FNL & 1880' FEL

ELEVATION 3729'

OPERATOR LCX ENERGY, LLC

LEASE 1724 OSBOURN #101



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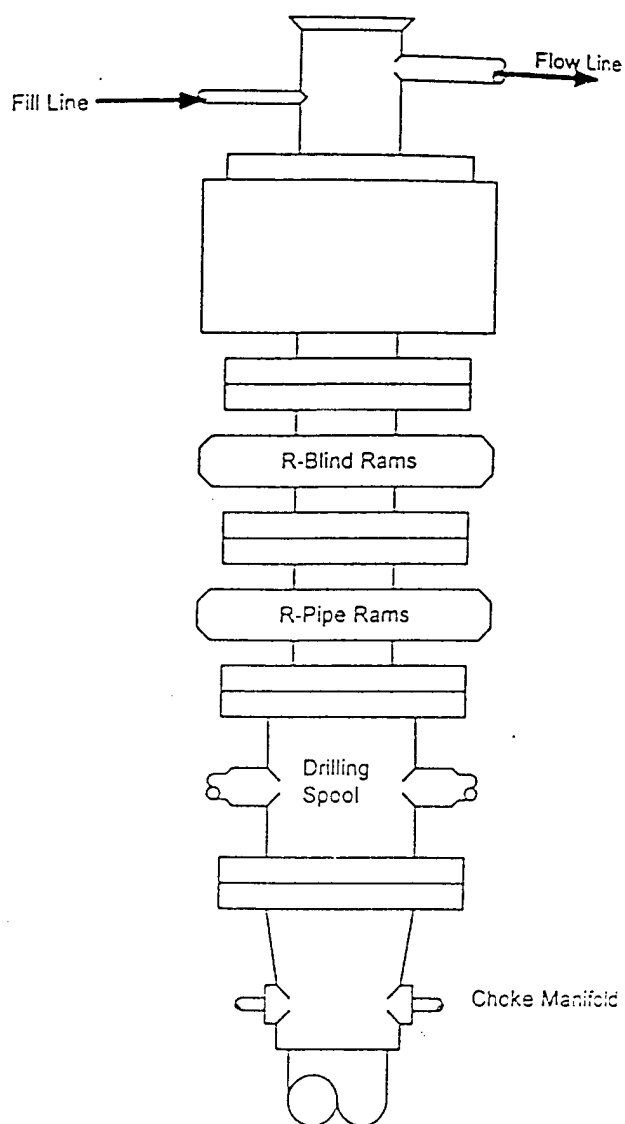
Proposal



Report Date: September 20, 2005 Client: LCX Energy LLC. Field: Eddy County, NM Nad 83 Structure / Slot: 1724 Osbourn #101 / 1724 Osbourn #101 Well: 1724 Osbourn #101 Borehole: 1724 Osbourn #101 UWI/API#: Survey Name / Date: 1724 Osbourn #101_r2 / July 26, 2005 Tort / AHD / DDI / ERD ratio: 90.000° / 3963.46 ft / 5.803 / 0.803 Grid Coordinate System: NAD83 New Mexico State Planes, Eastern Zone, US Feet Location Lat/Long: N 32 51 19.965, W 104 34 26.757 Location Grid N/E Y/X: N 675065.200 ftUS, E 467404.200 ftUS Grid Convergence Angle: -0.13062152° Grid Scale Factor: 0.99991535	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 180.440° Vertical Section Origin: N 0.000 ft, E 0.000 ft TVD Reference Datum: RKB TVD Reference Elevation: 0.0 ft relative to Sea Bed / Ground Level Elevation: 0.000 ft relative to Magnetic Declination: 8.779° Total Field Strength: 49508.078 nT Magnetic Dip: 60.735° Declination Date: July 26, 2005 Magnetic Declination Model: IGRF 2005 North Reference: Grid North Total Corr Mag North -> Grid North: +8.910° Local Coordinates Referenced To: Well Head
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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	180.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-179.56M
KOP	4687.89	0.00	180.44	4687.89	0.00	0.00	0.00	0.00	0.00	0.00	-179.56M
	4700.00	2.79	180.44	4700.00	0.29	-0.29	-0.00	0.29	180.44	23.00	-179.56M
	4800.00	25.79	180.44	4796.25	24.80	-24.80	-0.19	24.80	180.44	23.00	0.00G
	4900.00	48.79	180.44	4875.28	84.98	-84.98	-0.65	84.98	180.44	23.00	0.00G
	5000.00	71.79	180.44	4924.52	171.25	-171.24	-1.30	171.25	180.44	23.00	0.00G
EOC	5079.19	90.00	180.44	4937.00	249.11	-249.10	-1.89	249.11	180.44	23.00	0.00G
PBHL	8793.54	90.00	180.44	4937.00	3963.46	-3963.34	-30.10	3963.46	180.44	0.00	0.00G

BLOWOUT PREVENTER SYSTEM



Type 900 Series
3000 psi WP

Choke Manifold Assembly for 3M WP System

