Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies
District I
1625 N. French, Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-105
Revised June 10, 2003

WELL API NO. 30-015-34855
5. Indicate Type Of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. 33040

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL [ ] GAS WELL [X] DRY [ ] OTHER
b. Type of Completion: NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

Month - Year
MAR 19 2007
OCD - ARTESIA, NM

7. Lease Name or Unit Agreement Name: 1724 STATE COM
8. Well No.: 261
9. Pool name or Wildcat: COTTONWOOD CREEK - WOLFCAMP

2. Name of Operator: LCX Energy, LLC
3. Address of Operator: 110 N. Marienfeld St. Suite 200, Midland, TX 79701

4. Well Location
Unit Letter N : 660 Feet From The SOUTH Line and 1880 Feet From The WEST Line
Section 26 Township 17S Range 24E NMPM EDDY County

10. Date Spudded	11. Date T.D. Reached	12. Date Compl. (Ready to Prod.)	13. Elevations (DF & RKB, RT, GR, etc.)	14. Elev. Casinghead
11/16/07-06	12/24/06	02/09/07	3724' GR	

15. Total Depth	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
8731'	8690'			X	

19. Producing Interval(s), of this completion - Top, Bottom, Name: 5155' - 8650'
20. Was Directional Survey Made: YES
21. Type Electric and Other Logs Run: CNL DENSITY GR
22. Was Well Cored: NO

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#	1308'	12 1/4"&17 1/2"	155 CLC/H	
5 1/2"	17#	8731'	8 3/4" / 7 7/8"	600J 50/50 POZ, 700 PVL	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8"	4820'	4820'

26. Perforation record (interval, size, and number)
8650' - 8000'(50 HOLES), 7570' - 6925'(50 HOLES), 6710' - 6065'(50 HOLES), 5800' - 5155'(50 HOLES), 0.4" HOLES.

27. ACID, SHOT, FRACTURE, CEMENT, SQEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
8650' -5155' 4	STAGES:798 BBL 15% HCL,4628 BBL SK
BRNE WTR,4237 BBL	SLK WTR,8000# 20/40 SD,53492# LITE
PROP 125 20/40 SD	,301 TONS CO2.

28. **PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
03/01/07	FLOWING	PRODUCING

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
03/03/07	24	24/64			1067		

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API -(Corr.)
1100 PSIG				1067		

29. Disposition of Gas (Sold, used for fuel, vented, etc.): SOLD
Test Witnessed By: BILLY WALKER

30. List Attachments: LOGS

31. *I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief*

Signature [signature] Printed Name KANICIA CARRILLO Title REGULATORY ANALYST Date 03/15/07

E-mail address KANICIA@EERONLINE.COM

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northeastern New Mexico	
T. Anhy		T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt		T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt		T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates		T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison
T. Queen		T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg		T. Montoya	T. Mancos	T. McCracken
T. San Andres	556'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	1922'	T. McKee	Base Greenhorn	T. Granite
T. Paddock		T. Ellenburger	T. Dakota	T.
T. Blinebry		T. Gr. Wash	T. Morrison	T.
T. Tubb	3204'	T. Delaware Sand	T. Todilto	T.
T. Drinkard		T. Bone Springs	T. Entrada	T.
T. Abo	3874'	T.	T. Wingate	T.
T. Wolfcamp	4932'		T. Chinle	T.
T. Penn		T.	T. Permain	T.
T. Cisco (Bough C)		T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from ..... to ..... No. 3, from ..... to .....

No. 2, from ..... to ..... No. 4, from ..... to .....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from ..... to ..... feet .....

No. 2, from ..... to ..... feet .....

No. 3. from ..... to ..... feet .....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
			SEE ATTACHMENT				

1724 STATE COM 261 LITHOLOGY RECORD

FROM	TO	THICKNESS IN FEET	LITHOLOGY
1200	1470	270	ANHYDRITE/DOLOMITE
1470	1800	330	DOLOMITE/LIMESTONE
1800	1840	40	DOLOMITE/LIMESTONE/SAND
1840	2120	280	ANHYDRITE/DOLOMITE
2120	2140	20	DOLOMITE
2140	2210	70	ANHYDRITE/DOLOMITE
2210	2280	70	ANHYDRITE/DOLOMITE/LIMESTONE
2280	2420	140	DOLOMITE/SAND/LIMESTONE
2420	2680	240	DOLOMITE/ANHYDRITE/SAND/LIMESTONE
2680	2830	150	DOLOMITE/SAND/SHALE/SILT
2380	2880	500	ANHYDRITE/DOLOMITE/LIMESTONE
2880	3000	120	ANHYDRITE/DOLOMITE
3000	3160	160	DOLOMITE/LIMESTONE/SHALE
3160	3440	280	ANHYDRITE/DOLOMITE/LIMESTONE/SAND/SHALE
3440	3700	260	ANHYDRITE/DOLOMITE/SHALE/LIMESTONE
3700	3780	80	ANHYDRITE/LIME/DOLOMITE
3780	3980	200	ANHYDRITE/DOLOMITE
3980	4490	510	DOLOMITE
4490	4990	500	DOLOMITE
4990	5040	50	DOLOMITE/LIMESTONE
5040	8728	3688	LIMESTONE

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State of New Mexico
Energy, Minerals & Natural Resources

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

Month - Year
MAR 19 2007
OCD - ARTESIA, NM

Form C-102
Revised June 10, 2003

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-015-34855		Collins Ranch Wolfcamp

[4] Property Code	[5] Property Name	[6] Well Number
33040	1724 State Com	261

[7] OGRID No.	[8] Operator Name	[9] Elevation
21885	LCX Energy, LLC	3724

[10] Surface Location

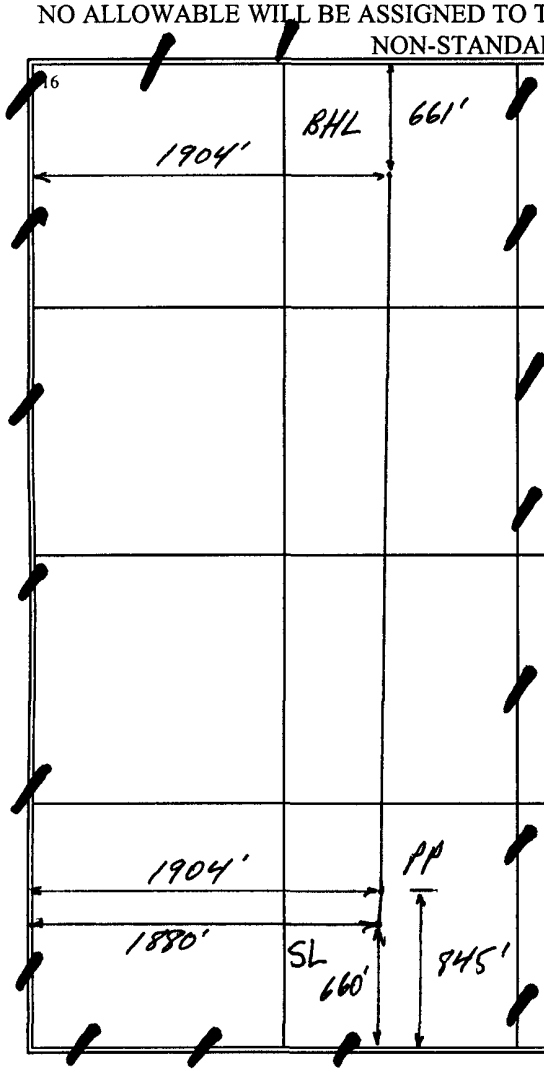
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	26	17S	24E		660	South	1880	West	Eddy

[11] 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
C	26	17S	24E		661	North	1904	West	Eddy

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320			

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



[17] OPERATOR CERTIFICATION

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

Signature

Kanicia Carrillo
Printed Name

Regulatory, kanicia@eeronline.com
Title and E-mail Address

03/15/07
Date

[18] 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.

Date of Survey
Signature and Seal of Professional Surveyer:

Certificate Number

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

LCX ENERGY

Location: BIG DOG 9, EDDY COUNTY, NEW MEXICO
Lease: HORIZONTAL DRILLING PROGNOSIS 1724 Well: STATE COM #261, 4-1/2" DRILLPIPE

Job Number: MD1206G_325

Run Date: 12/2/2006 5:16:19 AM

Surveyor: THOMAS BOWDEN

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 32.800833 deg. N Longitude: 104.562500 deg. W

Azimuth Correction:
Gyro: 0.12000 deg East to Grid North

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

LCX ENERGY
Location: BIG DOG 9, EDDY COUNTY, NEW MEXICO
Lease: HORIZONTAL DRILLING PROGNOSIS 1724 Well: STATE COM #261, 4-1/2" DRILLPIPE
Job Number: MD1206G_325

MEASURED DEPTH	INCL	AZIMUTH	DOGLEG SEVERITY	VERTICAL DEPTH	CLOSURE DIST.	CLOSURE AZIMUTH	HORIZONTAL COORDINATES	
feet	deg.	deg.	deg./ 100 ft.	feet	feet	deg.	feet	
5050 TO 200 FT. RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 4-1/2" DRILLPIPE								
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO BIG DOG 9 R.K.B. (+21')								
200.00	0.53	205.58	0.51	200.00	1.0	275.3	0.09 N	0.95 W
400.00	0.52	204.83	0.00	399.99	2.3	227.8	1.57 S	1.73 W
600.00	0.47	186.59	0.08	599.98	3.9	214.5	3.21 S	2.21 W
800.00	0.41	233.52	0.18	799.97	5.3	212.9	4.46 S	2.88 W
1000.00	0.89	99.39	0.61	999.97	5.5	200.6	5.14 S	1.93 W
1200.00	0.48	154.72	0.37	1199.95	6.2	180.4	6.15 S	0.04 W
1400.00	0.58	183.20	0.14	1399.95	7.9	178.1	7.92 S	0.26 E
1600.00	0.44	218.11	0.17	1599.94	9.5	181.7	9.55 S	0.28 W
1800.00	0.64	220.59	0.10	1799.93	11.1	187.7	11.00 S	1.48 W
2000.00	0.56	221.40	0.04	1999.92	12.9	192.7	12.57 S	2.84 W
2200.00	0.29	292.42	0.27	2199.91	13.7	196.8	13.11 S	3.96 W
2400.00	0.67	308.33	0.20	2399.91	13.3	203.7	12.19 S	5.35 W
2600.00	0.57	305.78	0.05	2599.89	13.0	213.0	10.88 S	7.07 W
2800.00	0.57	320.85	0.07	2799.88	12.8	221.8	9.53 S	8.51 W
3200.00	0.93	335.80	0.10	3199.85	12.2	245.6	5.03 S	11.10 W
3428.72	0.93	334.27	0.01	3428.54	12.8	262.5	1.67 S	12.66 W
3491.33	0.92	335.84	0.04	3491.14	13.1	266.7	0.75 S	13.09 W
3679.16	0.66	338.36	0.14	3678.95	14.2	276.6	1.64 N	14.11 W
3866.99	0.70	341.85	0.03	3866.77	15.3	284.1	3.75 N	14.87 W
4054.82	0.50	315.11	0.18	4054.59	16.7	288.9	5.42 N	15.80 W

A Gyrodata Directional Survey

LCX ENERGY
Location: BIG DOG 9, EDDY COUNTY, NEW MEXICO
Lease: HORIZONTAL DRILLING PROGNOSIS 1724 Well: STATE COM #261, 4-1/2" DRILLPIPE
Job Number: MD1206G_325

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	CLOSURE AZIMUTH deg.	HORIZONTAL COORDINATES feet	
4242.65	0.58	28.21	0.34	4242.41	17.3	293.2	6.83 N	15.92 W
4430.48	1.54	58.94	0.58	4430.21	16.1	304.0	8.98 N	13.31 W
4618.31	1.90	58.76	0.19	4617.96	14.6	324.5	11.90 N	8.47 W
4806.14	1.92	55.36	0.06	4805.68	15.6	348.1	15.30 N	3.22 W
4993.97	1.80	57.20	0.07	4993.41	18.8	5.6	18.68 N	1.83 E
5025.20	1.78	59.03	0.19	5024.63	19.4	7.9	19.20 N	2.66 E
5050.00	1.73	56.82	0.33	5049.42	19.9	9.6	19.60 N	3.30 E

Final Station Closure: Distance: 19.87 ft Az: 9.57 deg.

Final Directional Report

Survey Report

INTREPID Directional Drilling Specialists

Report Date:	December 28, 2006	**Survey / DLS Computation Method:**	Minimum Curvature / Lubinski
Client:	LCX Energy	**Vertical Section Azimuth:**	0.110°
Field:	Eddy County, NM Nad 83	**Vertical Section Origin:**	N 0.000 ft, E 0.000 ft
Structure / Slot:	1724 State #261 / 1724 State #261	**TVD Reference Datum:**	RKB
Well:	1724 State #261	**TVD Reference Elevation:**	0.0 ft relative to
Borehole:	1724 State #261	**Sea Bed / Ground Level Elevation:**	0.000 ft relative to
UWI/API#:		**Magnetic Declination:**	8.608°
Survey Name / Date:	1724 State #261_surveys / December 7, 2006	**Total Field Strength:**	49345.762 nT
Tort / AHD / DDI / ERD ratio:	155.049° / 4004.98 ft / 6.036 / 0.802	**Magnetic Dip:**	60.660°
Grid Coordinate System:	NAD83 New Mexico State Planes, Eastern Zone, US Feet	**Declination Date:**	December 07, 2006
Location Lat/Long:	N 32 48 4.138, W 104 33 42.562	**Magnetic Declination Model:**	IGRF 2005
Location Grid N/E Y/X:	N 655266.500 ftUS, E 471131.200 ftUS	**North Reference:**	Grid North
Grid Convergence Angle:	-0.12377894°	**Total Corr Mag North -> Grid North:**	+8.732°
Grid Scale Factor:	0.99991474	**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)
Tie-In	4430.50	1.54	58.94	4430.23	8.95	8.98	-13.31	16.05	304.01	0.58
	4465.00	1.90	55.50	4464.72	9.52	9.54	-12.44	15.68	307.50	1.08
	4494.00	3.00	40.00	4493.69	10.37	10.40	-11.55	15.54	311.98	4.39
	4525.00	5.80	24.90	4524.60	12.42	12.44	-10.37	16.20	320.18	9.70
	4553.00	9.10	21.40	4552.36	15.77	15.78	-8.97	18.15	330.40	11.89
	4584.00	12.70	22.40	4582.79	21.21	21.22	-6.77	22.27	342.29	11.63
	4615.00	16.20	24.60	4612.81	28.30	28.30	-3.67	28.54	352.60	11.43
	4646.00	19.70	24.20	4642.29	37.00	37.00	0.27	37.01	0.42	11.30
	4676.00	22.40	19.30	4670.29	47.02	47.01	4.23	47.20	5.14	10.74
	4707.00	25.30	14.70	4698.64	59.01	59.00	7.87	59.52	7.59	11.11
	4737.00	28.50	11.20	4725.39	72.25	72.23	10.88	73.04	8.57	11.90
	4768.00	30.60	7.30	4752.36	87.33	87.31	13.32	88.32	8.68	9.18
	4799.00	33.80	4.50	4778.59	103.77	103.74	15.00	104.82	8.23	11.39
	4829.00	38.40	4.50	4802.83	121.38	121.35	16.39	122.46	7.69	15.33
	4859.00	42.90	5.60	4825.58	140.85	140.81	18.12	141.98	7.33	15.19
	4890.00	47.20	5.60	4847.48	162.68	162.64	20.26	163.90	7.10	13.87
	4920.00	50.30	4.20	4867.26	185.16	185.11	22.18	186.44	6.83	10.91
	4951.00	53.00	3.10	4886.49	209.42	209.37	23.72	210.71	6.46	9.14
	4983.00	55.20	2.10	4905.25	235.31	235.27	24.89	236.58	6.04	7.33
	5014.00	57.20	0.60	4922.50	261.06	261.02	25.50	262.26	5.58	7.60
	5046.00	59.60	359.90	4939.26	288.32	288.27	25.61	289.40	5.08	7.73
	5077.00	63.00	0.60	4954.15	315.50	315.46	25.73	316.50	4.66	11.15
	5108.00	67.70	359.60	4967.07	343.67	343.62	25.78	344.59	4.29	15.44
	5123.00	70.00	359.20	4972.49	357.66	357.61	25.63	358.53	4.10	15.53
	5140.00	72.80	358.90	4977.91	373.77	373.72	25.37	374.58	3.88	16.56
	5155.00	75.10	358.50	4982.06	388.18	388.13	25.04	388.94	3.69	15.55
	5170.00	77.90	358.50	4985.56	402.76	402.71	24.66	403.46	3.50	18.67
	5187.00	81.10	358.90	4988.65	419.46	419.42	24.28	420.12	3.31	18.97
	5203.00	83.60	359.60	4990.78	435.32	435.27	24.07	435.94	3.17	16.22
	5235.00	86.60	359.60	4993.52	467.20	467.15	23.85	467.76	2.92	9.38
	5267.00	90.40	358.90	4994.35	499.18	499.13	23.43	499.68	2.69	12.07
	5298.00	91.50	358.50	4993.84	530.16	530.12	22.73	530.61	2.45	3.78
	5330.00	91.50	358.50	4993.00	562.14	562.10	21.89	562.52	2.23	0.00
	5362.00	91.30	358.20	4992.22	594.11	594.07	20.97	594.44	2.02	1.13
	5393.00	92.70	358.50	4991.14	625.08	625.04	20.07	625.36	1.84	4.62
	5425.00	94.30	358.50	4989.19	657.01	656.97	19.24	657.25	1.68	5.00
	5456.00	94.70	358.50	4986.75	687.90	687.86	18.43	688.11	1.53	1.29
	5488.00	94.80	358.50	4984.10	719.77	719.74	17.59	719.96	1.40	0.31

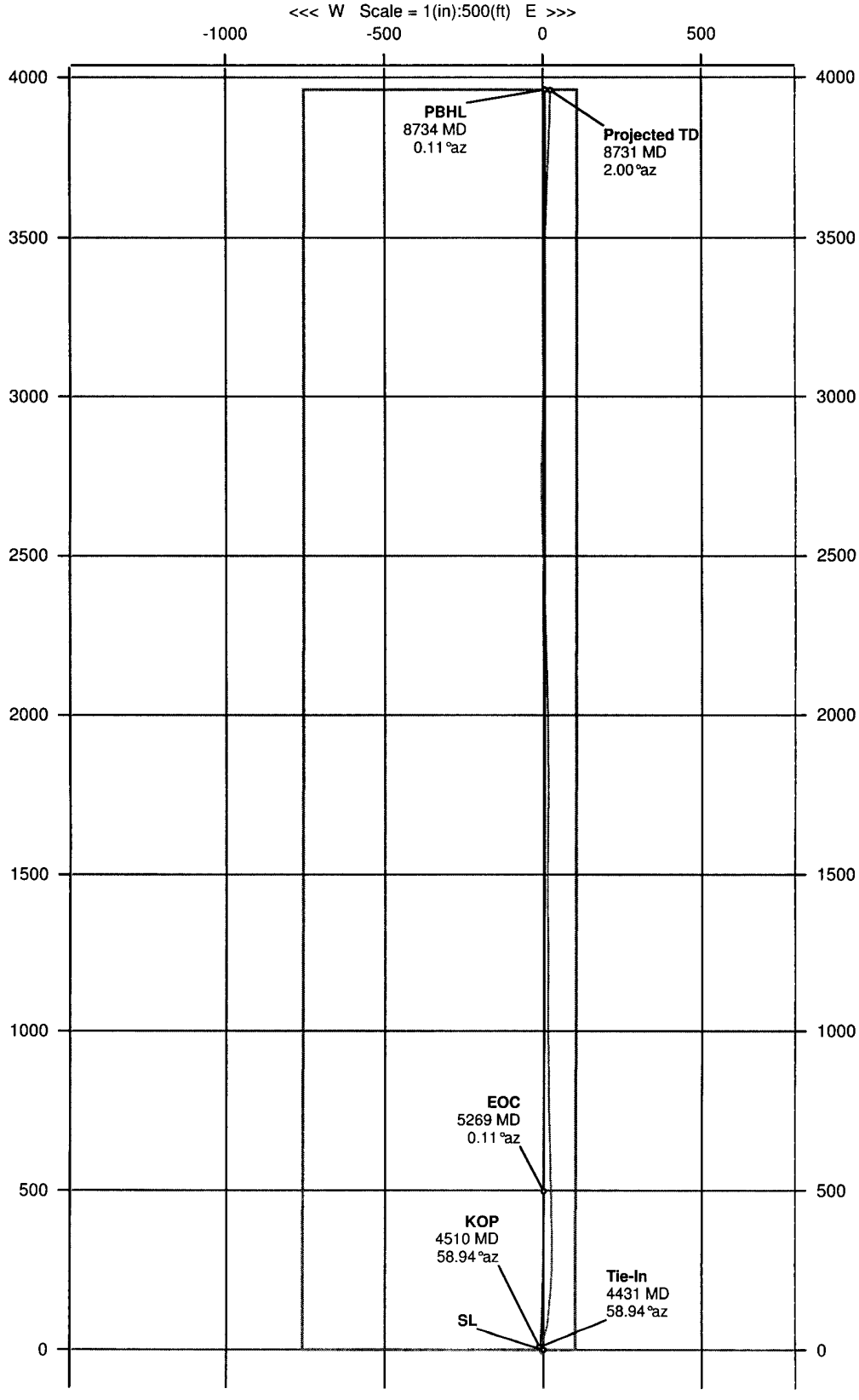
Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)
	5519.00	95.00	358.90	4981.46	750.65	750.62	16.89	750.81	1.29	1.44
	5551.00	94.80	358.90	4978.72	782.53	782.50	16.28	782.67	1.19	0.62
	5583.00	93.80	359.60	4976.32	814.43	814.40	15.86	814.56	1.12	3.81
	5615.00	93.60	359.90	4974.26	846.37	846.34	15.73	846.48	1.06	1.13
	5646.00	93.60	359.20	4972.31	877.30	877.28	15.48	877.41	1.01	2.25
	5678.00	92.60	359.20	4970.58	909.25	909.22	15.04	909.35	0.95	3.12
	5709.00	90.30	359.20	4969.80	940.24	940.21	14.60	940.32	0.89	7.42
	5741.00	88.70	359.60	4970.08	972.23	972.21	14.27	972.31	0.84	5.15
	5772.00	88.50	359.20	4970.83	1003.22	1003.19	13.94	1003.29	0.80	1.44
	5804.00	88.70	359.20	4971.62	1035.21	1035.18	13.50	1035.27	0.75	0.62
	5836.00	88.90	359.90	4972.29	1067.20	1067.17	13.25	1067.26	0.71	2.27
	5867.00	89.00	0.30	4972.85	1098.19	1098.17	13.30	1098.25	0.69	1.33
	5899.00	88.90	0.30	4973.44	1130.19	1130.16	13.47	1130.24	0.68	0.31
	5931.00	89.40	0.30	4973.91	1162.18	1162.16	13.64	1162.24	0.67	1.56
	5962.00	89.00	0.30	4974.35	1193.18	1193.16	13.80	1193.24	0.66	1.29
	5994.00	89.00	359.90	4974.91	1225.17	1225.15	13.85	1225.23	0.65	1.25
	6026.00	90.40	359.90	4975.07	1257.17	1257.15	13.80	1257.22	0.63	4.38
	6057.00	90.60	359.60	4974.80	1288.17	1288.15	13.66	1288.22	0.61	1.16
	6089.00	90.80	359.60	4974.41	1320.17	1320.14	13.44	1320.21	0.58	0.63
	6120.00	91.00	359.20	4973.92	1351.16	1351.14	13.11	1351.20	0.56	1.44
	6151.00	91.10	359.20	4973.36	1382.15	1382.13	12.68	1382.19	0.53	0.32
	6183.00	91.10	359.20	4972.74	1414.14	1414.12	12.23	1414.17	0.50	0.00
	6214.00	90.10	359.90	4972.42	1445.14	1445.12	11.99	1445.17	0.48	3.94
	6246.00	88.20	0.60	4972.89	1477.13	1477.11	12.13	1477.16	0.47	6.33
	6277.00	87.80	0.60	4973.97	1508.11	1508.09	12.46	1508.14	0.47	1.29
	6309.00	88.50	0.60	4975.01	1540.10	1540.07	12.79	1540.13	0.48	2.19
	6341.00	89.40	0.60	4975.59	1572.09	1572.07	13.13	1572.12	0.48	2.81
	6372.00	89.70	0.60	4975.84	1603.09	1603.06	13.45	1603.12	0.48	0.97
	6404.00	89.60	0.60	4976.03	1635.08	1635.06	13.78	1635.12	0.48	0.31
	6436.00	90.40	0.60	4976.03	1667.08	1667.06	14.12	1667.12	0.49	2.50
	6468.00	90.40	0.30	4975.81	1699.08	1699.06	14.37	1699.12	0.48	0.94
	6500.00	91.00	0.30	4975.42	1731.08	1731.05	14.54	1731.12	0.48	1.87
	6531.00	91.00	359.90	4974.88	1762.07	1762.05	14.59	1762.11	0.47	1.29
	6563.00	91.10	359.90	4974.29	1794.07	1794.04	14.54	1794.10	0.46	0.31
	6594.00	91.50	359.90	4973.59	1825.06	1825.04	14.48	1825.09	0.45	1.29
	6626.00	91.50	359.60	4972.75	1857.05	1857.02	14.34	1857.08	0.44	0.94
	6657.00	89.90	359.60	4972.37	1888.04	1888.02	14.13	1888.07	0.43	5.16
	6689.00	89.90	359.60	4972.43	1920.04	1920.02	13.90	1920.07	0.41	0.00
	6720.00	90.10	359.60	4972.43	1951.04	1951.02	13.69	1951.07	0.40	0.65
	6752.00	89.90	359.20	4972.43	1983.04	1983.02	13.35	1983.06	0.39	1.40
	6783.00	89.40	358.90	4972.62	2014.03	2014.01	12.84	2014.05	0.37	1.88
	6815.00	88.70	358.90	4973.15	2046.02	2046.00	12.22	2046.04	0.34	2.19
	6845.00	88.30	358.90	4973.93	2076.00	2075.99	11.65	2076.02	0.32	1.33
	6876.00	89.40	358.90	4974.55	2106.99	2106.97	11.05	2107.00	0.30	3.55
	6908.00	89.40	358.50	4974.89	2138.98	2138.96	10.33	2138.99	0.28	1.25
	6940.00	89.60	358.20	4975.17	2170.96	2170.95	9.41	2170.97	0.25	1.13
	6971.00	91.00	358.50	4975.01	2201.95	2201.93	8.51	2201.95	0.22	4.62
	7002.00	91.00	358.50	4974.47	2232.93	2232.92	7.70	2232.93	0.20	0.00
	7034.00	90.40	358.20	4974.07	2264.91	2264.90	6.78	2264.91	0.17	2.10
	7066.00	90.40	358.20	4973.85	2296.89	2296.89	5.78	2296.89	0.14	0.00
	7097.00	91.70	358.50	4973.28	2327.87	2327.87	4.88	2327.87	0.12	4.30
	7127.00	91.80	358.90	4972.37	2357.85	2357.85	4.20	2357.85	0.10	1.37
	7158.00	91.50	358.20	4971.47	2388.83	2388.82	3.42	2388.83	0.08	2.46
	7190.00	91.50	357.80	4970.64	2420.79	2420.79	2.30	2420.79	0.05	1.25

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)
	7221.00	92.00	357.80	4969.69	2451.75	2451.76	1.11	2451.76	0.03	1.61
	7253.00	92.20	358.20	4968.52	2483.71	2483.71	0.00	2483.71	360.00	1.40
	7284.00	92.00	357.80	4967.38	2514.67	2514.67	-1.08	2514.67	359.98	1.44
	7316.00	92.40	357.80	4966.15	2546.62	2546.63	-2.31	2546.63	359.95	1.25
	7347.00	92.00	358.20	4964.96	2577.57	2577.59	-3.39	2577.59	359.92	1.82
	7379.00	92.00	357.80	4963.85	2609.53	2609.55	-4.51	2609.55	359.90	1.25
	7410.00	90.80	359.60	4963.09	2640.51	2640.53	-5.21	2640.53	359.89	6.98
	7441.00	90.80	359.20	4962.66	2671.51	2671.52	-5.54	2671.53	359.88	1.29
	7473.00	91.00	358.90	4962.15	2703.50	2703.51	-6.07	2703.52	359.87	1.13
	7505.00	91.00	0.60	4961.59	2735.49	2735.51	-6.21	2735.51	359.87	5.31
	7536.00	91.10	0.60	4961.03	2766.48	2766.50	-5.88	2766.51	359.88	0.32
	7568.00	90.10	1.70	4960.69	2798.48	2798.49	-5.24	2798.50	359.89	4.65
	7599.00	90.30	1.30	4960.58	2829.47	2829.48	-4.43	2829.48	359.91	1.44
	7630.00	90.30	1.30	4960.42	2860.46	2860.47	-3.73	2860.47	359.93	0.00
	7662.00	90.60	1.30	4960.17	2892.45	2892.46	-3.00	2892.46	359.94	0.94
	7693.00	90.80	1.30	4959.79	2923.44	2923.45	-2.30	2923.45	359.96	0.65
	7725.00	90.80	1.00	4959.34	2955.43	2955.44	-1.65	2955.44	359.97	0.94
	7757.00	91.00	1.00	4958.84	2987.43	2987.43	-1.10	2987.43	359.98	0.62
	7788.00	91.00	1.00	4958.30	3018.42	3018.42	-0.55	3018.43	359.99	0.00
	7820.00	91.00	1.00	4957.74	3050.41	3050.42	0.00	3050.42	0.00	0.00
	7851.00	91.10	1.00	4957.17	3081.40	3081.41	0.54	3081.41	0.01	0.32
	7883.00	91.10	0.60	4956.56	3113.39	3113.40	0.99	3113.40	0.02	1.25
	7914.00	91.00	0.60	4955.99	3144.39	3144.39	1.32	3144.39	0.02	0.32
	7978.00	91.00	0.60	4954.87	3208.37	3208.38	1.99	3208.38	0.04	0.00
	8072.00	90.60	0.60	4953.56	3302.36	3302.36	2.97	3302.36	0.05	0.43
	8167.00	90.60	1.00	4952.57	3397.35	3397.35	4.30	3397.35	0.07	0.42
	8263.00	90.30	1.70	4951.81	3493.32	3493.32	6.56	3493.32	0.11	0.79
	8357.00	89.70	2.10	4951.81	3587.28	3587.26	9.68	3587.28	0.15	0.77
	8452.00	89.20	2.40	4952.73	3682.21	3682.19	13.40	3682.21	0.21	0.61
	8547.00	88.70	2.40	4954.47	3777.11	3777.09	17.38	3777.13	0.26	0.53
	8641.00	88.90	2.10	4956.43	3871.03	3870.99	21.07	3871.05	0.31	0.38
	8686.00	89.00	2.00	4957.26	3915.99	3915.96	22.68	3916.02	0.33	0.31
Projected TD	8731.00	89.00	2.00	4958.04	3960.96	3960.92	24.25	3961.00	0.35	0.00

LCX Energy

WELL	FIELD	STRUCTURE
1724 State #261	Eddy County, NM Nad 83	1724 State #261

Magnetic Parameters				Surface Location				Miscellaneous			
Model: IGRF 2005	Dip: 60.660°	Date: December 07, 2006		Lat: N32 48 4.138	Northing: 655266.50 ftUS	Grid Conv: -0.12377894°		Slot: 1724 State #261	TVD Ref: RKB (0.00 ft above)		
	Mag Dec: +8.608°	FS: 49345.8 nT		Lon: W104 33 42.562	Easting: 471131.20 ftUS	Scale Fact: 0.9999147353	NAD83 New Mexico State Planes, Eastern Zone, US Feet	Plan: 1724 State #261_surveys	Srvy Date: December 07, 2006		

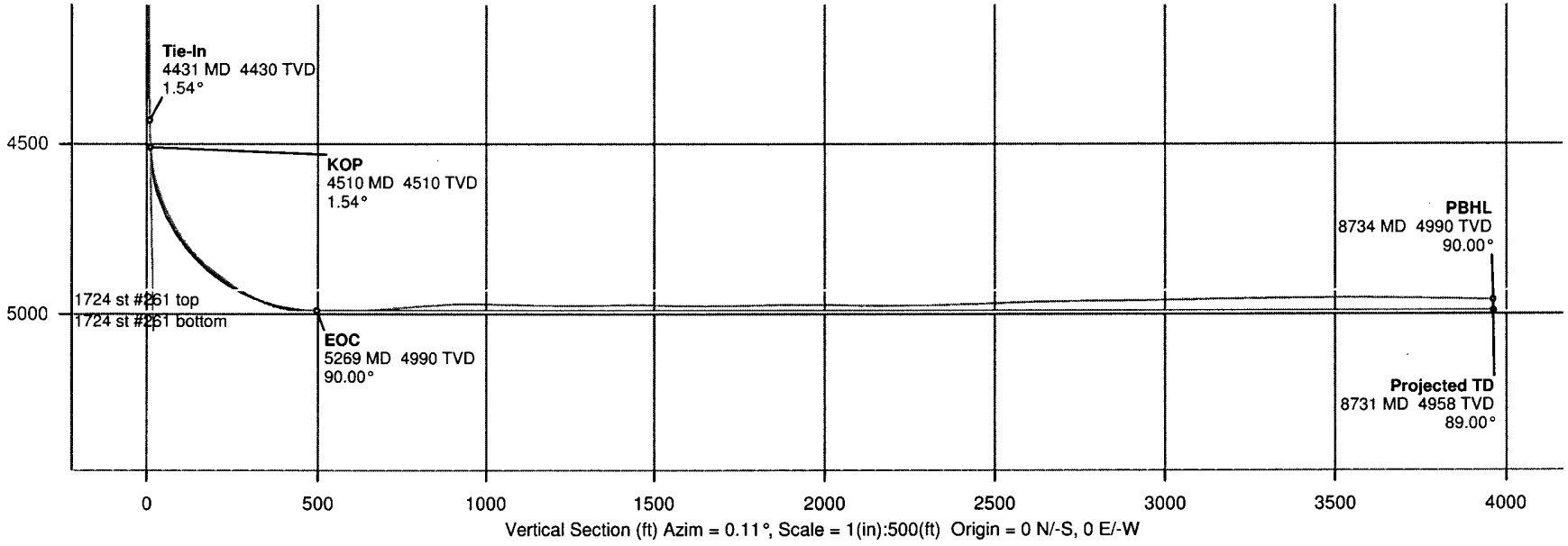


INTREPID
Directional Drilling Specialists

LCX Energy

WELL	FIELD	STRUCTURE
1724 State #261	Eddy County, NM Nad 83	1724 State #261

Magnetic Parameters				Surface Location					Miscellaneous			
Model:	IGRF 2005	Dip:	60.660°	Lat:	N32 48 4.138	Northing:	655266.50 ftUS	Grid Conv:	-0.12377894°	Slot:	1724 State #261	TVD Ref:	RKB (0.00 ft above)
		Mag Dec:	+8.608°	Lon:	W104 33 42.562	Easting:	471131.20 ftUS	Scale Fact:	0.9999147353	Plan:	1724 State #261_surveys	Srvy Date:	December 07, 2006
		Date:	December 07, 2006				NAD83 New Mexico State Planes, Eastern Zone, US Feet						
		FS:	49345.8 nT										



INTREPID
Directional Drilling Specialists

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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 & Natural Resources

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

Month - Year
MAR 19 2007
OCD - ARTESIA, NM

Form C-104
Revised June 10, 2003

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

[1] Operator name and Address	[2] OGRID Number
LCX ENERGY, LLC 110 N. MARIENFELD SUITE 200, MIDLAND, TX 79701	218885
	[3] Reason for Filing Code/Effective Date

[4] API Number	[5] Pool Name	[6] Pool Code
30-0 15-34855	Collins Ranch; Wolfcamp - WOLFCAMP	75010
[7] Property Code	[8] Property Name	[9] Well Number
	1724 STATE COM	261

II. [10] Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
N	26	17S	24E		660	SOUTH	1880	WEST	EDDY

[11] Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
C	26	17S	24E		661	NORTH	1904	WEST	EDDY

[12] Lse Code	[13] Producing Method Code	[14] Gas Connection Date	[15] C-129 Permit Number	[16] C-129 Effective Date	[17] C-129 Expiration Date
	FLOWING	03/01/07			

III. Oil and Gas Transporters

[18] Transporter OGRID	[19] Transporter Name and Address	[20] POD	[21] O/G	[22] POD ULSTR Location and Description
147831	AGAVE ENERGY CO. 105 S. 4TH STREET ARTESIA, NM 88210		G	ULN, SEC 26, T17S R24E

IV. Produced Water

[23] POD	[24] POD ULSTR Location and Description

V. Well Completion Data

[25] Spud Date	[26] Ready Date	[27] TD	[28] PBTD	[29] Perforations	[30] DHC, MC
11/16/07	02/09/07	8731'	8690'	8650' - 5155'	

[31] Hole Size	[32] Casing & Tubing Size	[33] Depth Set	[34] Sacks Cement
12 1/4" & 17 1/2"	9 5/8"	1308'	1555 CL C/H
8 3/4" & 7 7/8"	5 1/2"	8731'	600 50/50 POZ, 700 PVL

VI. Well Test Data

[35] Date New Oil	[36] Gas Delivery Date	[37] Test Date	[38] Test Length	[39] Tbg. Pressure	[40] Csg. Pressure
	03/01/07	03/03/07	24 HOURS	1100 PSIG	
[41] Choke Size	**[42] Oil**	**[43] Water**	**[44] Gas**	**[45] AOF**	**[46] Test Method**
24/64			1067		FLOWING

[47] I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Kanicia Carrillo

Printed name: KANICIA CARRILLO

Title: REGULATORY ANALYST

Email: KANICIA@EERONLINE.COM

Date: 03/15/07 Phone: 432-262-4013

OIL CONSERVATION DIVISION

Approved by:

Title: BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Approval Date: MAR 20 2007