Form 3160-5 (August 2007)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

GCD-ARTESIA

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No. NM - 108958

## SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1 Type of Well NOV 0.5 2007 8. Well Name and No. 1724 FEDERAL COM #151 Oil Well Gas Well Other OCD-ARTESIA 9. API Well No. 30-015-35665 2. Name of Operator LCX ENERGY, LLC 3a. Address 10. Field and Pool or Exploratory Area 3b. Phone No. (include area code) 110 N MARIENFELD, SUITE 200, MIDLAND, TX 79701 COTTONWOOD CREEK-WOLFCAMP 432-262-4013 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State EDDY COUNTY, NEW MEXICO 300' FEL & 1880' FNL SECTION 15, T16S, R25E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Other Kick-off plug New Construction Recomplete Casing Repair Subsequent Report \_\_ Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) 08/04/07 Set kick-off plug, pump 450 sx "H"+.75%D65+.2%D46+.025%D13. Pull drill pipe to 3756'. Reverse circulate, circulated 100 sx cement to reserve. TIH with directional tools to top of cement. WOC 7 hrs. Drilling cement 3775' - 3980. Tag cement at 3775'. 08/05/07 Drilling cement 3980 - 4310 KOP. Slide drill 4310 - 4358. 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Vickie L. Gotcher Title Regulatory Analyst Date 09/24/2007 Signature ACCEPTED FOR RECORDS PACE FOR FEDERAL OR STATE OFFICE USE Approved b Date Title Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would Office entitle the applicant to conduct operations thereon

GLASS ENGINEER 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false,

any matter within its jurisdiction