

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address LCX ENERGY, LLC. 110 NORTH MARIENFELD SUITE 200 MIDLAND, TEXAS 79701		OGRID Number 218885
Property Code 35367	Property Name 1724 STATE COM.	API Number 30: 015-35642
Proposed Pool 1 75010 COLLINS RANCH-WOLFCAMP		Proposed Pool 2

7 Surface Location

UL or lot no. M	Section 16	Township 17S	Range 24E	Lot Idn	Feet from the 760'	North/South line SOUTH	Feet from the 660'	East/West line WEST	County EDDY CO.
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8 Proposed Bottom Hole Location If Different From Surface

UL or lot no. P	Section 16	Township 17S	Range 24E	Lot Idn	Feet from the 760'	North/South line SOUTH	Feet from the 660'	East/West line EAST	County EDDY CO.
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Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 3794'
Multiple NO	Proposed Depth MD-8747 TVD-4960'	Formation WOLFCAMP	Contractor BIG DOG DRILLING	Spud Date WHEN APPROVED
Depth to Groundwater 300+'		Distance from nearest fresh water well 2100'		Distance from nearest surface water Eagle Draw 1 mile South
Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 18M bbls		Drilling Method: Fresh Water ☒ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐		
Closed-Loop System ☐				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	NA	40'	Redi-mix	Surface
17 1/2"	13 3/8"	48#	350'	400 Sx.	Surface
12 1/2"	9 5/8"	36#	1200'	475 Sx.	Surface
8 3/4 - 7 7/8"	5 1/2"	15.5#	MD-8747, TVD-4960'	600 Sx.	Est. TOC 1000' FS

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Verify & Submit by CBL or Temp Survey BGV

SEE ATTACHED SHEET FOR DETAIL

NOTIFY OCD OF SPUD &
TIME TO WITNESS
CEMENTING OF SURFACE &
INTERMEDIATE CASING

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ , a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ .		OIL CONSERVATION DIVISION	
Printed name: Joe T. Janica		Approved by: BRYAN G. ARRAnt	
Title: Agent		DISTRICT II GEOLOGIST	
E-mail Address: joejanica@valornet.com		Approval Date: JUN 04 2007	Expiration Date: JUN 04 2008
Date: 05/30/07	Phone: 505-391-8503	Conditions of Approval Attached ☐	

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 or 8-5/8" 24# J55 casing. Cement to surface with 35/65 Poz/C + 5% NaCl + 6% Bentonite lead cement, tail in with 100 sx. of Class "C" cement + 2% CaCl₂.
4. Drill 7-7/8" or 8-3/4" hole. 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).
5. 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' SURFACE HOLE AND THE 1200' INTERMEDIATE HOLE.

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

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 75010	Pool Name COLLINS RANCH-WOLFCAMP
Property Code	Property Name 1724 STATE COM	Well Number 162
OGRID No. 218885	Operator Name LCX ENERGY	Elevation 3794'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	17 S	24 E		760	SOUTH	660	WEST	EDDY

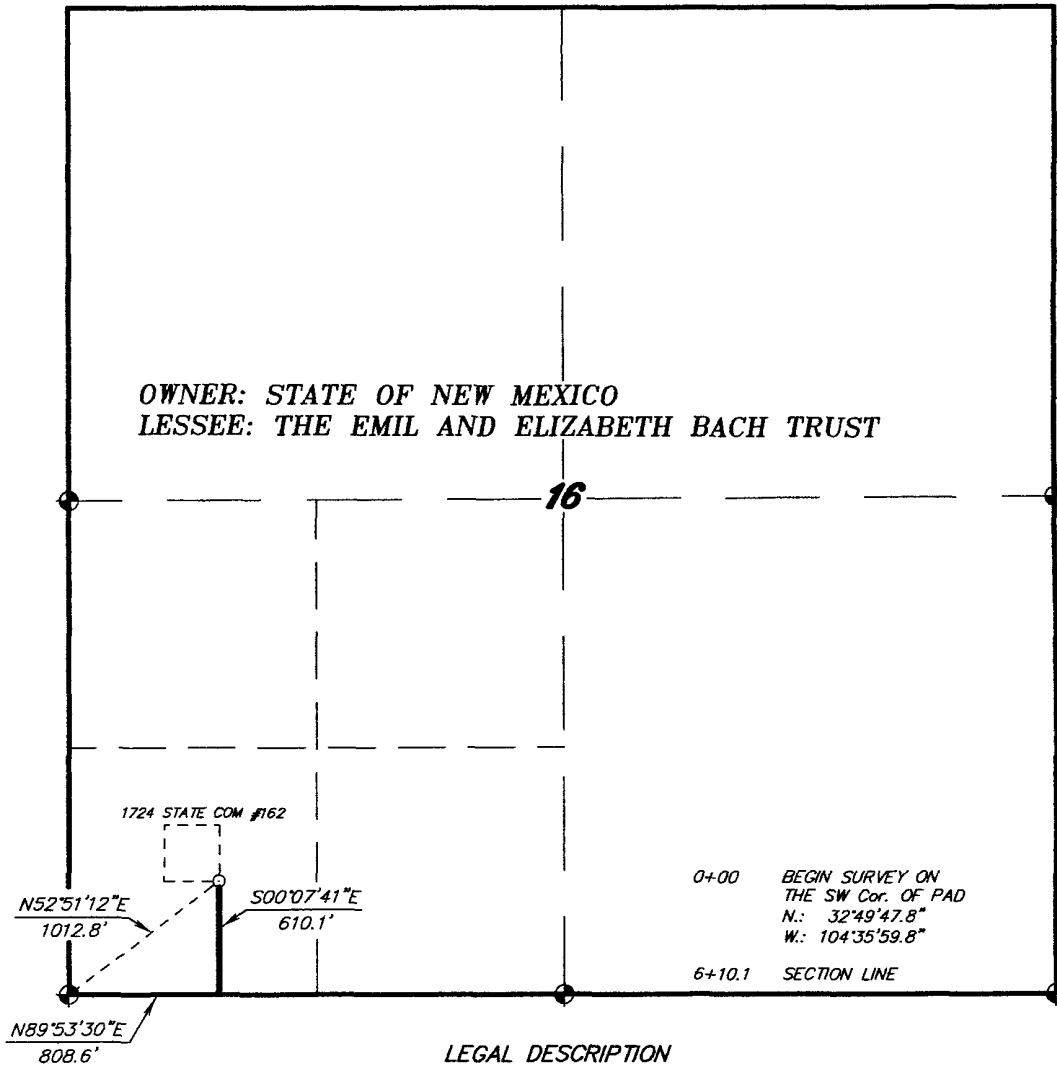
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	17 S	24 E		760	SOUTH	660	EAST	EDDY
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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

SURFACE LOCATION LAT-N32°49'49.26" LONG-W104°36'01.59" N.: 665918.170 W.: 459292.224 (NAD-83) VA-2553 BOTTOM HOLE LOCATION LAT-N32°49'49.34" LONG-W104°35'14.81" N.: 665916.231 W.: 463283.405 (NAD-83) VA-2557 660' S.L. 760' 3992.2' 660' B.H. 760'		OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division. <i>Joe T. Janica</i> Signature Date Joe T. Janica 05/30/07 Printed Name Agent 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. APRIL 12 2007 Date Surveyed L. JONES Signature & Seal of Professional Surveyor 7977 Certificate No. 17764 BASIN SURVEYS
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SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

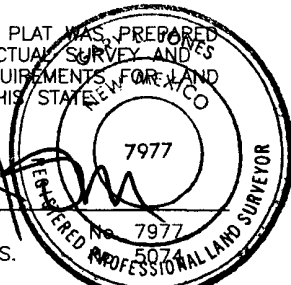
A STRIP OF LAND 20.0 FEET WIDE, LOCATED IN SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 10.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

BEGINNING AT A POINT WHICH LIES N.52°51'12"E., 1012.8 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 16; THENCE S.00°07'41"E., 610.1 FEET TO A POINT ON THE SOUTH SECTION LINE WHICH LIES N.89°53.30"E., 808.6 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 16. SAID STRIP OF LAND BEING 610.1 FEET 36.98 RODS IN LENGTH AND CONTAINING 0.28 ACRES, MORE OR LESS, AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

$$SW/4 \text{ SW/4} = 36.98 \text{ RODS} = 0.28 \text{ ACRES}$$

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S.
TEXAS P.L.S.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 17764 Drawn By: J. M. SMALL

Date: 04-16-2007 Disk: JMS 17764R

1000 0 1000 2000 FEET

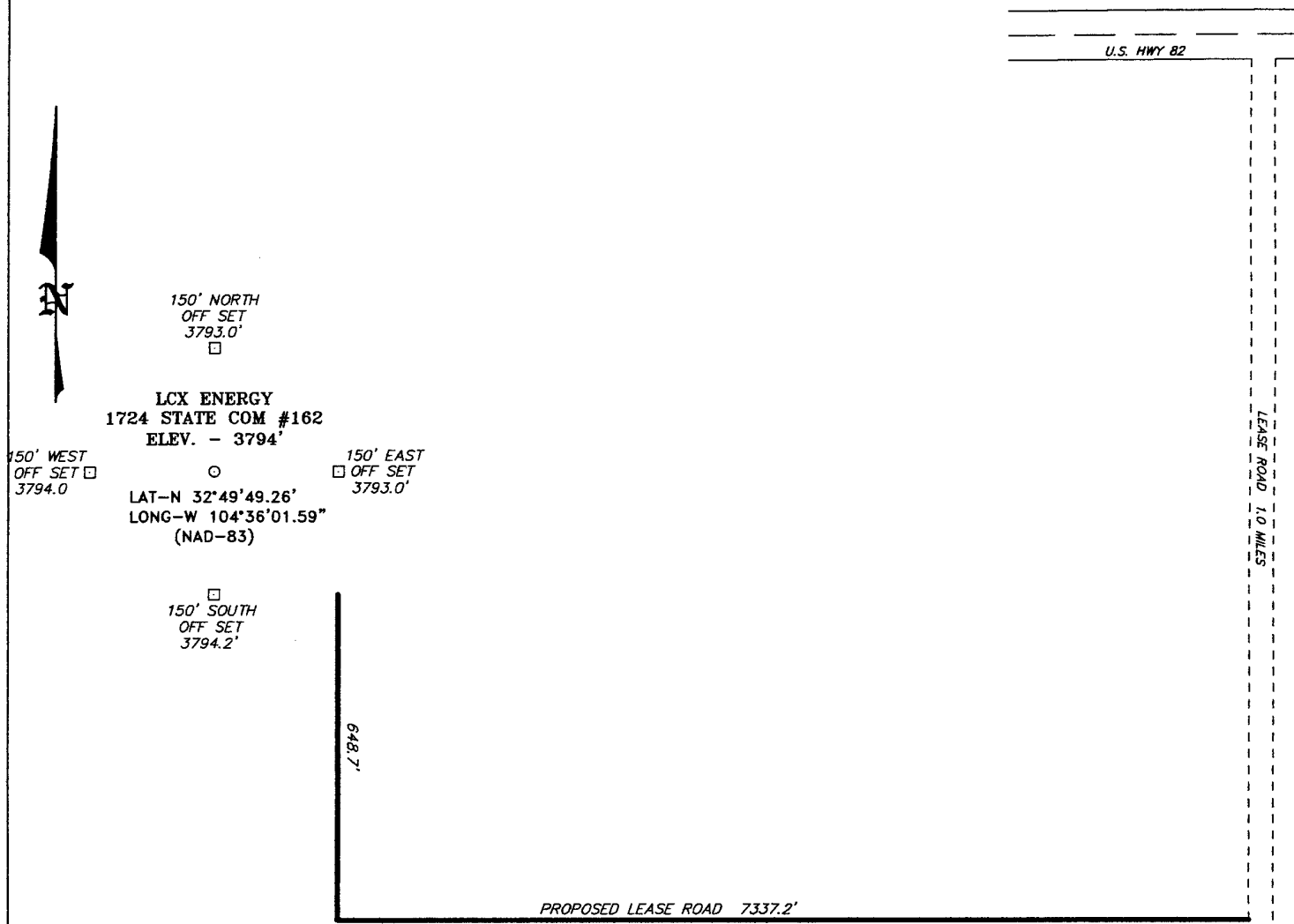
LCX ENERGY

REF: PROPOSED ROAD TO THE LCX - 1724 STATE COM #162

A ROAD CROSSING STATE LAND IN
SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

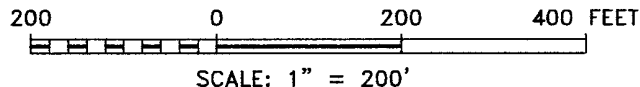
Survey Date: 04-12-2007 Sheet 1 of 3 Sheets

SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF U.S. HWY 82 AND U.S. HWY 285,
GO WEST ON U.S. 82 TO MM 97 THENCE CONTINUE WEST
FOR 0.3 MILES TO LEASE ROAD, GO SOUTH ON LEASE
ROAD 1.0 MILES TO PROPOSED LEASE ROAD.



LCX ENERGY

REF: 1724 FEDERAL COM # 162 / Well Pad Topo

THE 1724 FEDERAL COM No. 162 LOCATED 760' FROM

THE SOUTH LINE AND 660' FROM THE WEST LINE OF

SECTION 16, TOWNSHIP 17 SOUTH, RANGE 24 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS

P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 17764

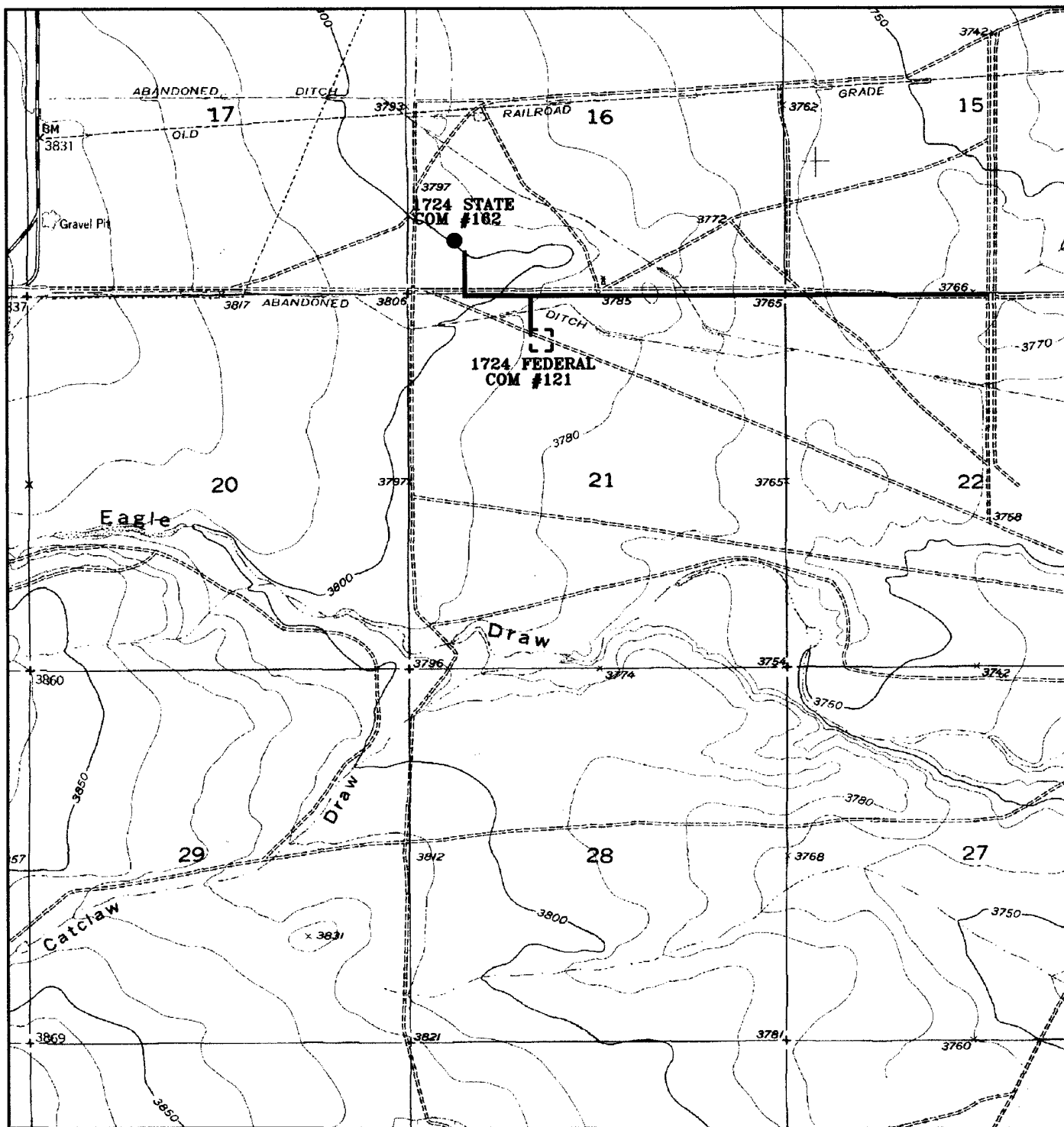
Drawn By: J. M. SMALL

Date: 04-16-2007

Disk: 17764W

Survey Date: 04-12-2007

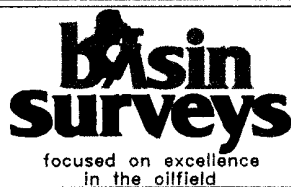
Sheet 1 of 1 Sheets



THE 1724 STATE COM #162

Located at 760' FSL and 660 FWL

Section 16, Township 17 South, Range 24 East,
N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

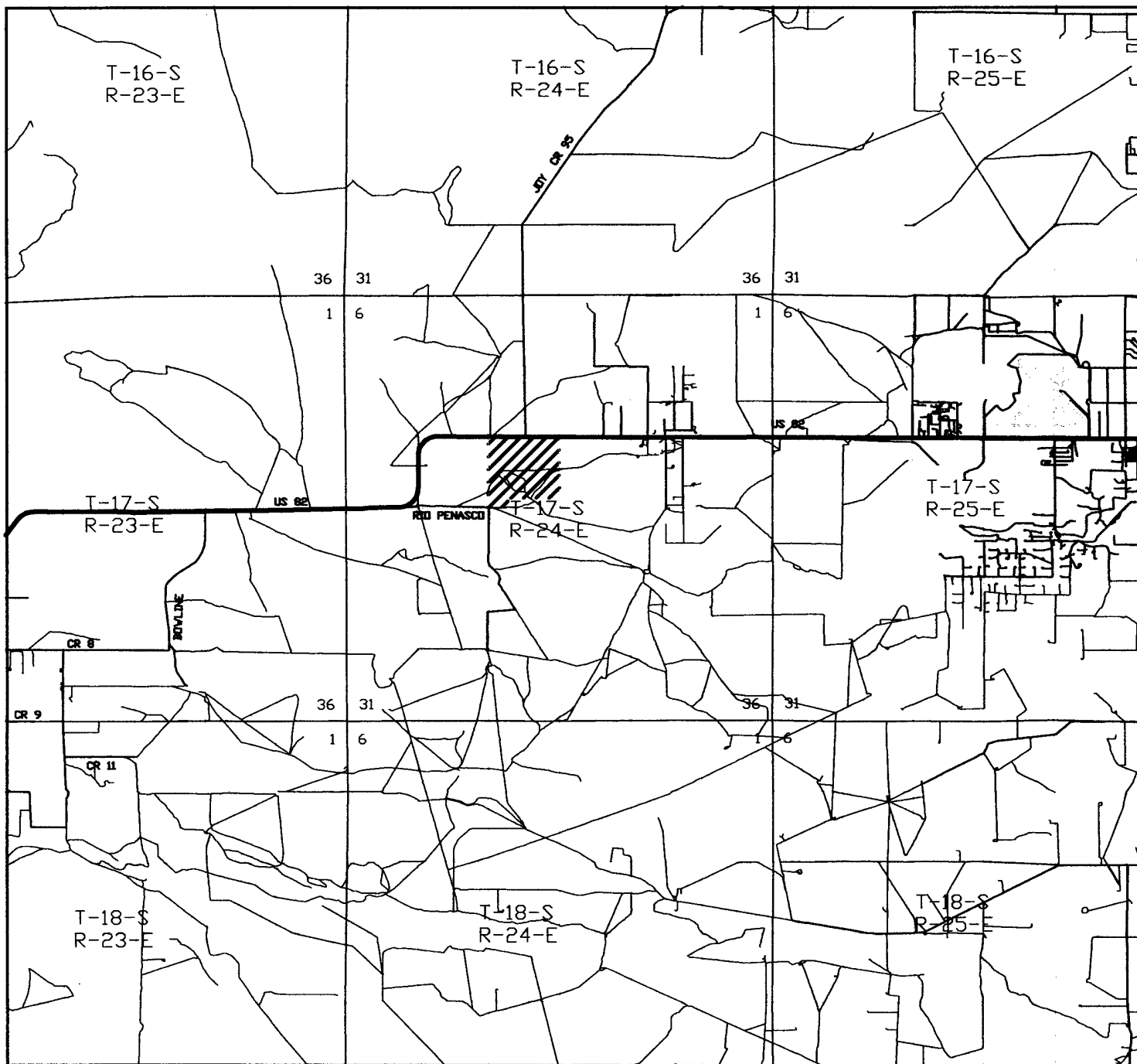
W.O. Number: JMS 17764T

Survey Date: 04-12-2007

Scale: 1" = 2000'

Date: 04-16-2007

LCX ENERGY



THE LCX - 1724 STATE COM #162
 Located at 760' FSL and 660 FWL
 Section 16, Township 17 South, Range 24 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

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 1120 N. West County Rd.
 Hobbs, New Mexico 88241
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 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 17764T

Survey Date: 04-12-2007

Scale: 1" = 2 MILES

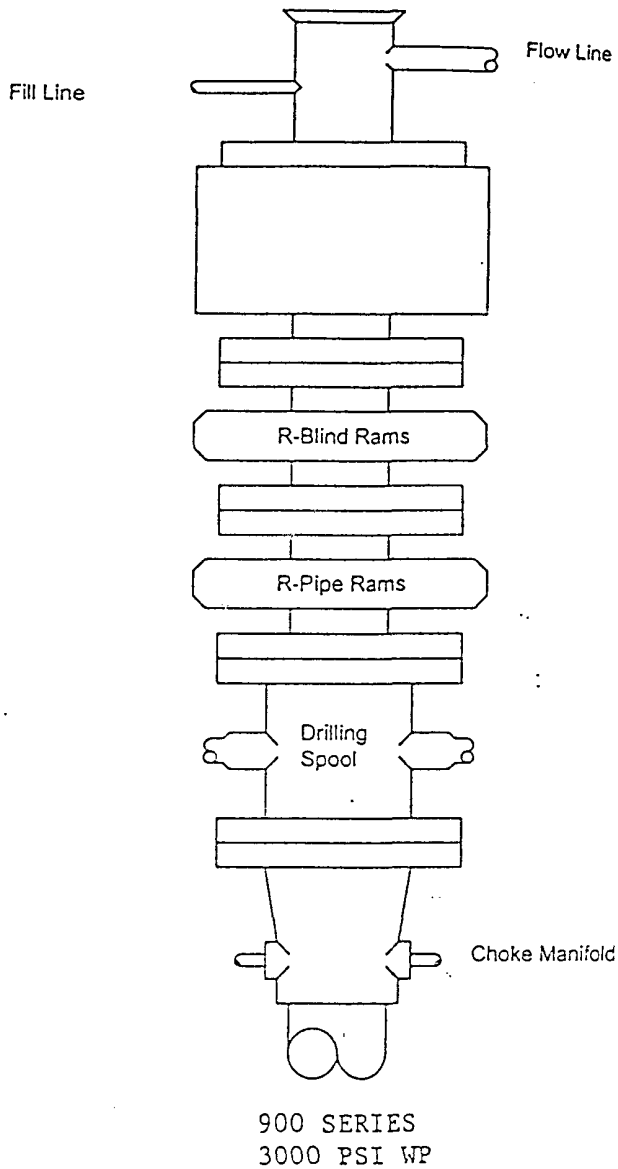
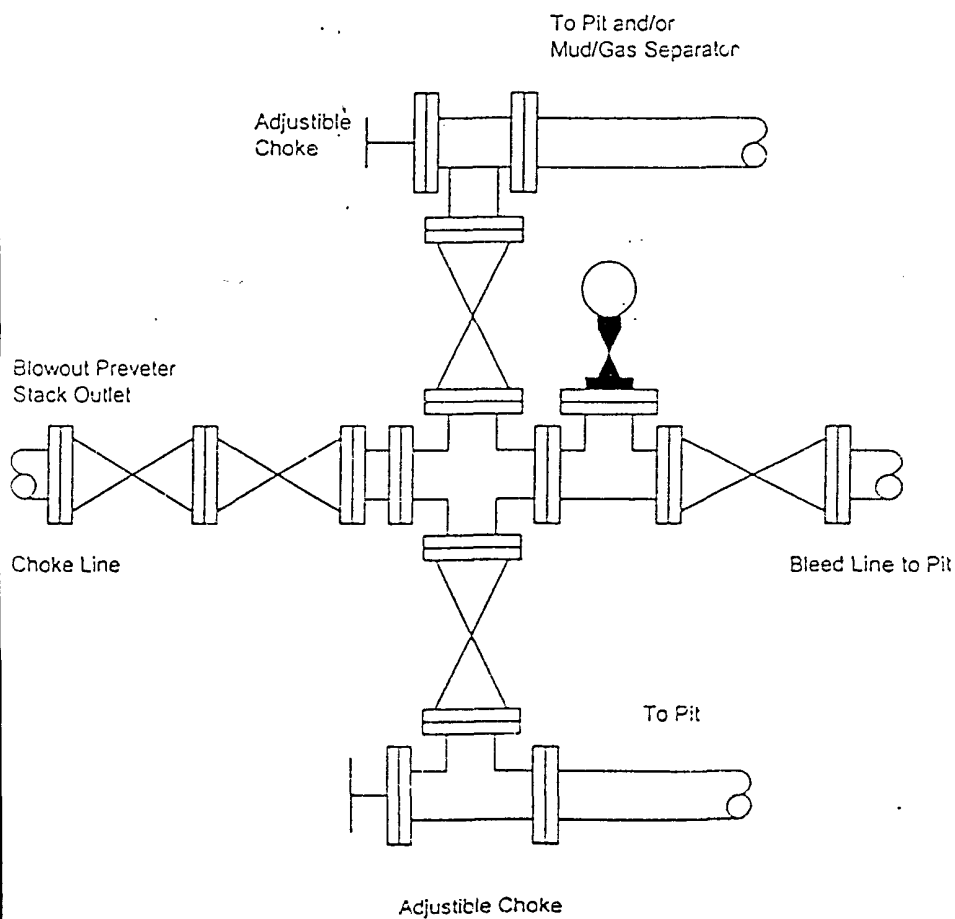
Date: 04-16-2007

LCX
 ENERGY

BLOWOUT PREVENTER SYSTEM

3000 PSI

Choke Manifold Assembly for 5M WP System



Proposal

Report Date: May 21, 2007 Client: LCX Energy Field: Eddy County, NM Nad 83 Structure / Slot: 1724 State Com #162 / 1724 State Com #162 Well: 1724 State Com #162 Borehole: 1724 State Com #162 UWI/API#: Survey Name / Date: 1724 State Com #162_r1 / May 21, 2007 Tort / AHD / DDI / ERD ratio: 90.000° / 3991.78 ft / 5.802 / 0.805 Grid Coordinate System: NAD83 New Mexico State Planes, Eastern Zone, US Feet Location Lat/Long: N 32 49 49.260, W 104 36 1.590 Location Grid N/E Y/X: N 665917.916 ftUS, E 459291.866 ftUS Grid Convergence Angle: -0.14481444° Grid Scale Factor: 0.99991680	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 90.030° 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: 8.574° Total Field Strength: 49315.467 nT Magnetic Dip: 60.671° Declination Date: May 21, 2007 Magnetic Declination Model: IGRF 2005 North Reference: Grid North Total Corr Mag North -> Grid North: +8.719° Local Coordinates Referenced To: Well Head
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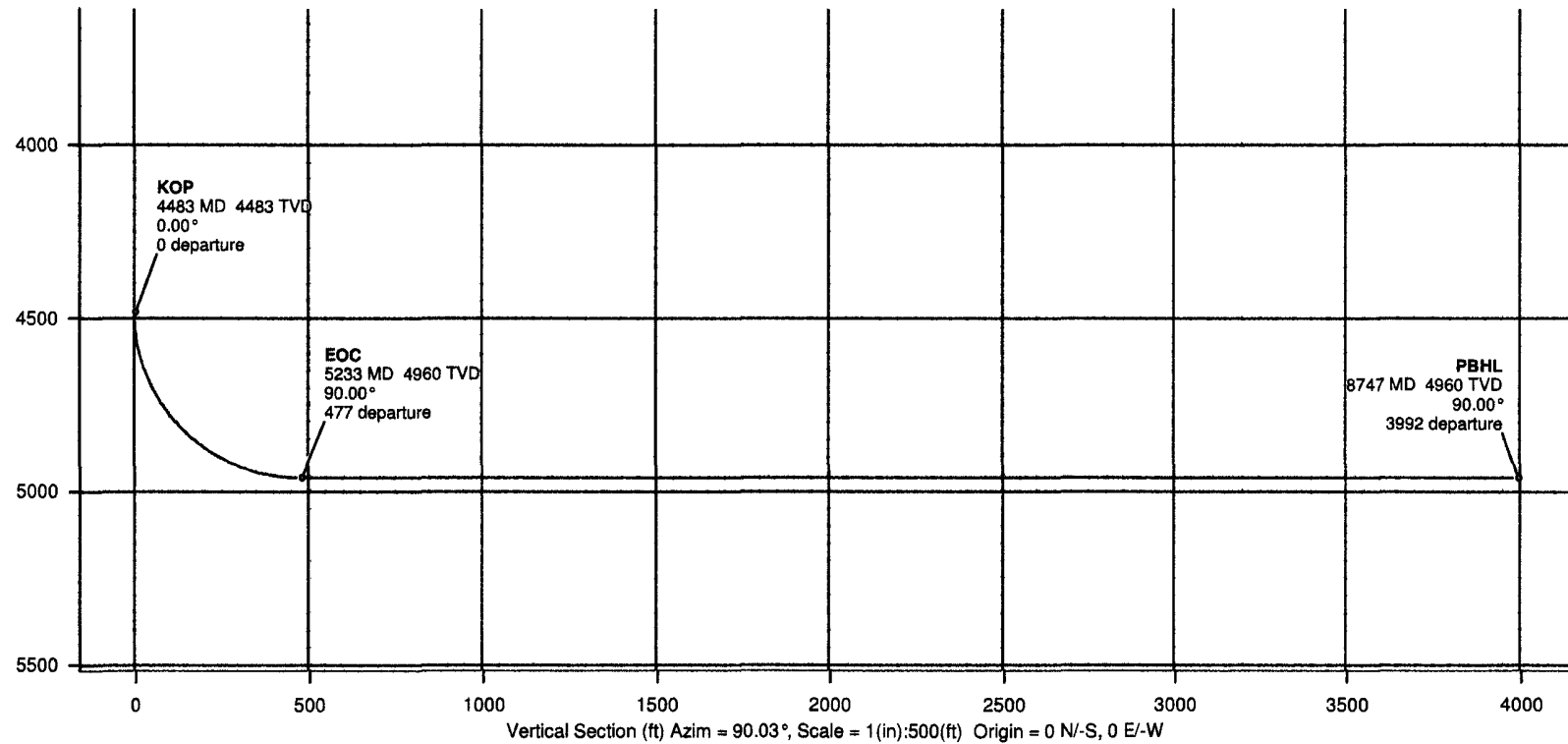
Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Mag / Grav Tool Face (deg)
Tie-In	0.00	0.00	90.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	100.00	0.00	90.03	100.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	200.00	0.00	90.03	200.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	300.00	0.00	90.03	300.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	400.00	0.00	90.03	400.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	500.00	0.00	90.03	500.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	600.00	0.00	90.03	600.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	700.00	0.00	90.03	700.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	800.00	0.00	90.03	800.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	900.00	0.00	90.03	900.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1000.00	0.00	90.03	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1100.00	0.00	90.03	1100.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1200.00	0.00	90.03	1200.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1300.00	0.00	90.03	1300.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1400.00	0.00	90.03	1400.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1500.00	0.00	90.03	1500.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1600.00	0.00	90.03	1600.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1700.00	0.00	90.03	1700.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1800.00	0.00	90.03	1800.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	1900.00	0.00	90.03	1900.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2000.00	0.00	90.03	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2100.00	0.00	90.03	2100.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2200.00	0.00	90.03	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2300.00	0.00	90.03	2300.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2400.00	0.00	90.03	2400.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2500.00	0.00	90.03	2500.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2600.00	0.00	90.03	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2700.00	0.00	90.03	2700.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2800.00	0.00	90.03	2800.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	2900.00	0.00	90.03	2900.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3000.00	0.00	90.03	3000.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3100.00	0.00	90.03	3100.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3200.00	0.00	90.03	3200.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3300.00	0.00	90.03	3300.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3400.00	0.00	90.03	3400.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3500.00	0.00	90.03	3500.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3600.00	0.00	90.03	3600.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3700.00	0.00	90.03	3700.00	0.00	0.00	0.00	0.00	0.00	0.00	---

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)	Mag / Grav Tool Face (deg)
	3800.00	0.00	90.03	3800.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	3900.00	0.00	90.03	3900.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	4000.00	0.00	90.03	4000.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	4100.00	0.00	90.03	4100.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	4200.00	0.00	90.03	4200.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	4300.00	0.00	90.03	4300.00	0.00	0.00	0.00	0.00	0.00	0.00	---
	4400.00	0.00	90.03	4400.00	0.00	0.00	0.00	0.00	0.00	0.00	---
KOP	4482.54	0.00	90.03	4482.54	0.00	0.00	0.00	0.00	0.00	0.00	90.03M
	4500.00	2.10	90.03	4500.00	0.32	0.00	0.32	0.32	90.03	12.00	90.03M
	4600.00	14.10	90.03	4598.82	14.38	-0.01	14.38	14.38	90.03	12.00	HS
	4700.00	26.10	90.03	4692.6	48.67	-0.02	48.67	48.67	90.03	12.00	HS
	4800.00	38.10	90.03	4777.12	101.71	-0.04	101.71	101.71	90.03	12.00	HS
	4900.00	50.10	90.03	4848.81	171.17	-0.08	171.17	171.17	90.03	12.00	HS
	5000.00	62.10	90.03	4904.49	254.01	-0.11	254.01	254.01	90.03	12.00	HS
	5100.00	74.10	90.03	4941.72	346.63	-0.15	346.63	346.63	90.03	12.00	HS
EOC	5200.00	86.10	90.03	4958.89	444.95	-0.20	444.95	444.95	90.03	12.00	HS
	5232.54	90.00	90.03	4960.00	477.46	-0.21	477.46	477.46	90.03	12.00	---
	5300.00	90.00	90.03	4960.00	544.93	-0.24	544.93	544.93	90.03	0.00	---
	5400.00	90.00	90.03	4960.00	644.93	-0.28	644.93	644.93	90.03	0.00	---
	5500.00	90.00	90.03	4960.00	744.93	-0.33	744.93	744.93	90.03	0.00	---
	5600.00	90.00	90.03	4960.00	844.93	-0.37	844.93	844.93	90.03	0.00	---
	5700.00	90.00	90.03	4960.00	944.93	-0.42	944.93	944.93	90.03	0.00	---
	5800.00	90.00	90.03	4960.00	1044.93	-0.46	1044.93	1044.93	90.03	0.00	---
	5900.00	90.00	90.03	4960.00	1144.93	-0.50	1144.93	1144.93	90.03	0.00	---
	6000.00	90.00	90.03	4960.00	1244.93	-0.55	1244.93	1244.93	90.03	0.00	---
	6100.00	90.00	90.03	4960.00	1344.93	-0.59	1344.93	1344.93	90.03	0.00	---
	6200.00	90.00	90.03	4960.00	1444.93	-0.64	1444.93	1444.93	90.03	0.00	---
	6300.00	90.00	90.03	4960.00	1544.93	-0.68	1544.93	1544.93	90.03	0.00	---
	6400.00	90.00	90.03	4960.00	1644.93	-0.72	1644.93	1644.93	90.03	0.00	---
	6500.00	90.00	90.03	4960.00	1744.93	-0.77	1744.93	1744.93	90.03	0.00	---
	6600.00	90.00	90.03	4960.00	1844.93	-0.81	1844.93	1844.93	90.03	0.00	---
	6700.00	90.00	90.03	4960.00	1944.93	-0.86	1944.93	1944.93	90.03	0.00	---
	6800.00	90.00	90.03	4960.00	2044.93	-0.90	2044.93	2044.93	90.03	0.00	---
	6900.00	90.00	90.03	4960.00	2144.93	-0.94	2144.93	2144.93	90.03	0.00	---
	7000.00	90.00	90.03	4960.00	2244.93	-0.99	2244.93	2244.93	90.03	0.00	---
	7100.00	90.00	90.03	4960.00	2344.93	-1.03	2344.93	2344.93	90.03	0.00	---
	7200.00	90.00	90.03	4960.00	2444.93	-1.08	2444.93	2444.93	90.03	0.00	---
	7300.00	90.00	90.03	4960.00	2544.93	-1.12	2544.93	2544.93	90.03	0.00	---
	7400.00	90.00	90.03	4960.00	2644.93	-1.16	2644.93	2644.93	90.03	0.00	---
	7500.00	90.00	90.03	4960.00	2744.93	-1.21	2744.93	2744.93	90.03	0.00	---
	7600.00	90.00	90.03	4960.00	2844.93	-1.25	2844.93	2844.93	90.03	0.00	---
	7700.00	90.00	90.03	4960.00	2944.93	-1.30	2944.93	2944.93	90.03	0.00	---
	7800.00	90.00	90.03	4960.00	3044.93	-1.34	3044.93	3044.93	90.03	0.00	---
	7900.00	90.00	90.03	4960.00	3144.93	-1.39	3144.93	3144.93	90.03	0.00	---
	8000.00	90.00	90.03	4960.00	3244.93	-1.43	3244.93	3244.93	90.03	0.00	---
	8100.00	90.00	90.03	4960.00	3344.93	-1.47	3344.93	3344.93	90.03	0.00	---
	8200.00	90.00	90.03	4960.00	3444.93	-1.52	3444.93	3444.93	90.03	0.00	---
	8300.00	90.00	90.03	4960.00	3544.93	-1.56	3544.93	3544.93	90.03	0.00	---
	8400.00	90.00	90.03	4960.00	3644.93	-1.61	3644.93	3644.93	90.03	0.00	---
	8500.00	90.00	90.03	4960.00	3744.93	-1.65	3744.93	3744.93	90.03	0.00	---
	8600.00	90.00	90.03	4960.00	3844.93	-1.69	3844.93	3844.93	90.03	0.00	---
	8700.00	90.00	90.03	4960.00	3944.93	-1.74	3944.93	3944.93	90.03	0.00	---
PBHL	8746.85	90.00	90.03	4960.00	3991.78	-1.76	3991.78	3991.78	90.03	0.00	---

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)	Mag / Grav Tool Face (deg)
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LCX Energy

WELL	1724 State Com #162	FIELD	Eddy County, NM Nad 83	STRUCTURE	1724 State Com #162
Magnetic Parameters Model: IGRF 2005	Dip: 60.671° Mag Dec: 48.574°	Date: May 21, 2007 FB: 48315.5 nT	Surface Location Lat: N32 49 48.260 Lon: W104 36 1.580	NAD83 New Mexico State Planes, Eastern Zone, US Feet Northing: 665917.92 RUS Easting: 456291.87 RUS Grid Conv: -0.14481444" Scale Fact: 0.9999187894	Miscellaneous Slot: 1724 State Com #162 Plan: 1724 State Com #162_1 TVD Ref: RKB (0.00 ft above) Shy Date: May 21, 2007

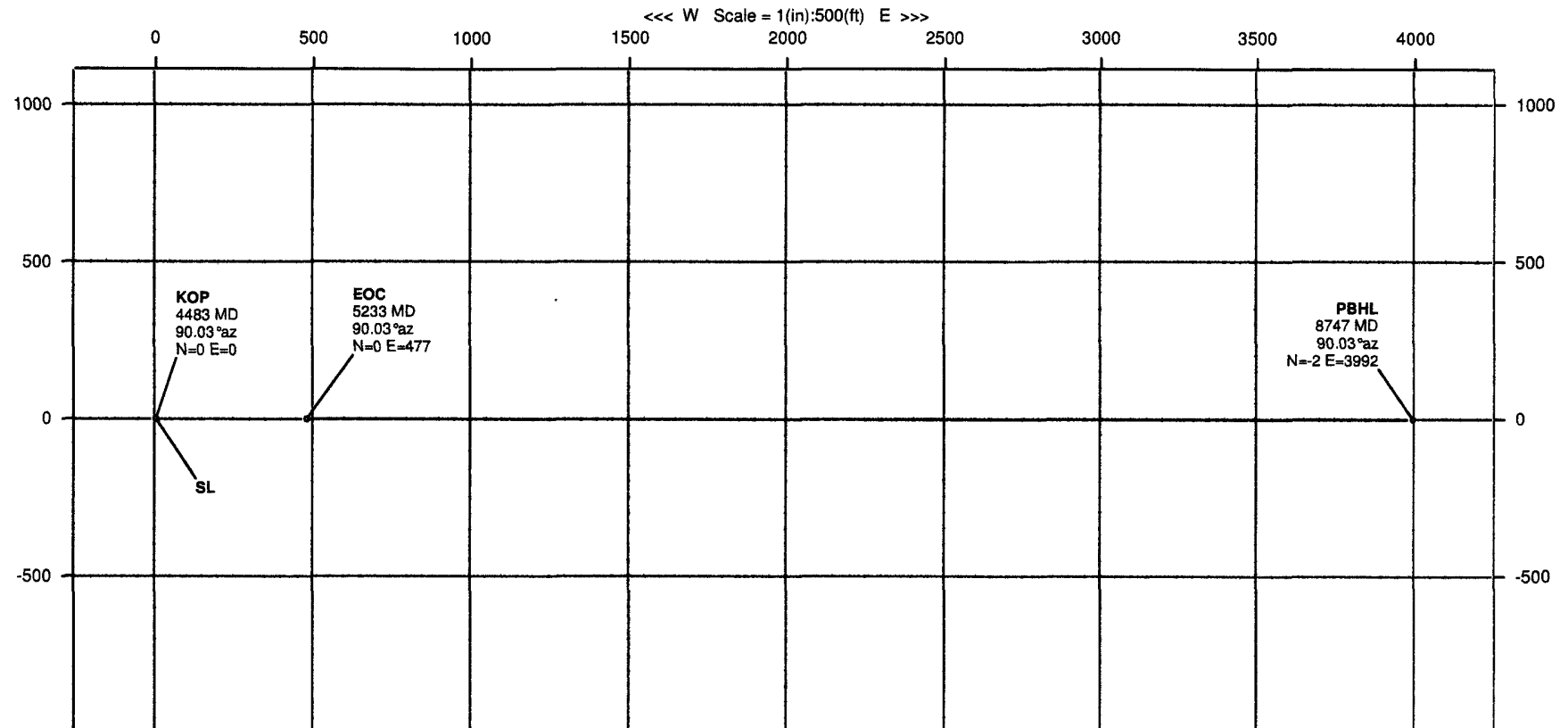


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LCX Energy

WELL	1724 State Com #162	FIELD	Eddy County, NM Nad 83	STRUCTURE	1724 State Com #162
Magnetic Parameters Model: IGRF 2005		Surface Location Lat: N32 49 49.260 Lon: W104 36 1.590		Miscellaneous Site: 1724 State Com #162 Plan: 1724 State Com #162_r1	
Dip: 60.871° Mag Dec: -45.574°		Date: May 21, 2007 FS: 46315.5 m		TVD Ref: RKB (0.00 ft above) Srvy Date: May 21, 2007	
		NAD83 New Mexico State Planes, Eastern Zone, US Feet Northing: 868017.92 BUS Easting: 455291.87 BUS		Grid Conv: -0.14481444° Scale Fact: 0.9899167964	



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