

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

Form C-103
Revised May 08, 2003

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

WELL API NO. 30-015-34544
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: 1624 STATE
8. Well Number 218885
9. OGRID Number 361
10. Pool name or Wildcat COTTONWOOD CREEK-WOLFCAMP

SUNDRY NOTICES AND REPORTS ON WELLS (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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	RECEIVED JUL 24 2006 OIL CONSERVATION DIVISION
2. Name of Operator LCX Energy, LLC	
3. Address of Operator 110 N. Marienfeld, Ste. 200, Midland, TX 79701	
4. Well Location Unit Letter <u>P</u> : <u>760</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>36</u> Township <u>16S</u> Range <u>25E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3633' GR	

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.

6/22/06 - 6/23/06 DRILL 8 3/4" HOLE TO 4960'. RIG UP SCHLUMBERGER. SPOT KICK OFF PLUG W/ 475 SX H+1.12%CD-31+5%. WOC 18 HOURS. TIH, TAG CEMENT AT 4289'. DRESS PLUG OFF TO 4289 - 4323.

06/24/06 TIH W/ 7 7/8" BIT, KICK OFF HORIZONTAL HOLE AT 4323' MD.

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 7/19/06

Type or print name KANICIA DAVID

(This space for State use)

APPROVED BY Jim W. Green TITLE District II Supervisor DATE 8/2/06
Conditions of approval, if any:

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6/25/06 - 7/8/06 DRILL 7 7/8" CURVE FROM 4323' MD TO 5224' MD. DRILL HORIZONTAL HOLE FROM 5224' MD TO 8647' MD. TD WELL AT 8647' MD.

7/9/06 - 7/10/06 CIRCULATE HOLE POOH TO RUN 5 1/2" CASING. RUN FLOAT SHOE, 1 JT 5 1/2" 17# P110, FLOAT COLLAR, 110 JTS 5 1/2" 17# P-110 CASING, 94 JTS 17# N-80 LT&C CASING. SET CASING AT 8646. RIG UP CEMENTERS. CEMENT 5 1/2" CASING W/ 1120 SXS, 2.01 YIELD, 12.9#, 50/50 POZ+10XD20, 0.125 PPS. D130, 0.2%D46, 10XD44, 0.3%D112. 300 SX, 2.8 YIELD, PVL+100XD151+2.0XD174+2XD112+0.6XD65+0.2XD46+2XD51. DROP PLUG & DISPLACED, BUMP PLUG W/ 193 1/2 BBLS AT 1800#, CHECKED FLOATS W/ 1 BBL, HELD OK. PLUG DOWN AT 11:55 AM. SET SLIPS W/ 110000#, MAKE ROUGH CUT, SET OUT BPO, MAKE FINAL CUT AND DRESS NU.tBG HEAD AND PRESSURE TEST TO 1800#, OK. RD. WO FRAC.

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 7/19/06

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

(This space for State use)

APPROVED BY Jim W. Brown TITLE District II Supervisor DATE 8/2/06

Conditions of approval, if any: