

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. 30-015-34980
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: 1921 STATE COM
8. Well Number 21
9. OGRID Number 218885
10. Pool name or Wildcat

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 type="checkbox"/> Other	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>A</u> : <u>760</u> feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>2</u> Township <u>19S</u> Range <u>21E</u> NMPM County <u>EDDY</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

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.

8/9/06 SPUD 17 1/2' HOLE AT 2:30 AM.

8/15/06 DRILL 17 1/2" HOLE TO 445'. CIRC HOLE, POOH. RU CASING CREW. RUN 10 JTS 13 3/8" 48# H40 ST & C CASING, TEXAS PATTERN GUIDE SHOE, INSERT FLOAT AT 343', SET CASING AT 432'. RAN 4 CENTRALIZERS. CIRCULATE THROUGH CASING. NO RETURNS. RIG UP CEMENTERS, CEMENT CASING W/ 370 SX 35/65 POZ CL C + ADDITIVES, WT 12.6 PPG, 2ND PART W/ 180 SX CL H+ 10% A10+10# LCM +1% CACL2+ 1/4# CELLOFLAKE, TAIL IN W/ 200 SX CL C W/ 2% CACL2+ 14# CELLO FLAKE, WT-14.8 PPG. DISPLACE W/ 55 BBLS FW. BUMP PLUG W/ 412 PSI. FLOAT HELD OK. CEMENT DID NOT CIRCULATE. WOC 4 HOURS. RUN TEMP SURVEY, TOC AT 150'. CUT OFF CONDUCTOR PIPE. STRAP AND RUN 1" TUBING.

8/16/06 - 8/18/06 PUMPED 775 SX CL C AND CL H CEMENT IN 24 STAGES THROUGH 1 " TUBING, CIRCULATED 5 SX CEMENT BACK TO SURFACE. WELD ON 13 3/8" WELLHEAD, TEST 500# FOR 30 MINS, OK. NIPPLE UP BOPS. WAIT TEST CASING AND BOPS TO 1000# FOR 30 MINS, HELD OK. TIH W/ 12 1/2" BIT. TAG CEMENT AT 381'. DRILL CEMENT AND PLUG. WOC TIME BEFORE DRILL OUT WAS 21.5 HRS. DRILL 12 1/4" HOLE.

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 9/8/06

Type or print name KANICIA DAVID

Telephone No. 432-848-0214

(This space for State use)

FOR RECORDS ONLY

APPROVED BY _____ TITLE _____ DATE SEP 14 2006
Conditions of approval, if any:

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8/19/06 -8/25/06 DRILL 12 1/4" HOLE TO 1332'. RIG UP CASING CREW. RUN GUIDE SHOE, 1 JT 9 5/8" 36#/FT H40, LT & C CASING, INSERT FLOAT, 31 JTS 9 5/8" 36#/FT H40, LT & C CASING. SET AT 1332'. RIG UP CEMENTERS, CEMENT FIRST STAGE W/ 180 SX CL H+10% A10+1110# LCM 1+2% CACL2+1/4# CF, 2ND LEAD 200 SX 35/65 CL C+5% SALT+1/4# CF, 3RD LEAD 180 SX LCM 1+10%A10+10# LCM +2% CACL2+1/4# CF, 4TH LEAD 200 SX 35/65 CL C+5% SALT+1/4# CF, TAIL IN W/ 200 SX CL C +2% CACL2. CEMENT DID NOT CIRCULATE. WOC 4 HRS. RUN TEMP SURVEY, TOC AT 730'. RUN 1" TUBING IN AND TAG CEMENT AT 768'. PUMP 590 SX CL CL AND CL H NEAT CEMENT, CIRCULATED CEMENT TO SURFACE. POOH LAY DOWN 1" TUBING. CUT OFF 9 5/8" CASING, BOLT UP B SECTION OF WELLHEAD, TEST TO 3000# FOR 30 MIN, HELD OK. NIPPLE UP BOPS. TEST BOPS W/ TESTER, 250 LOW, 2000 HIGH, ALL RAMS - ANNULAR & ALL VALVES, TIW-DART VALVE, MUD LINES TO PUMPS, CHOKES AND MANIFOLD VALVES.
8/26/06 - 8/31/06 TIH W 8 3/4' BIT, TAG CEMENT AT 1283', DRILL TO 1300', TEST CASING AND SHOE TO 1000# FOR 30 MINS, HELD OK. DRILL TO 4515'. RUN GYRO DIRECTIONAL SURVEY. POOH. RUN BAKER ATLAS TRIPLE COMBO LOG. 9/4/06 - 9/6/06 RIH W/ OPEN ENDED DRILL PIPE, SPOT 605 SX CL H+1.2%CD31+5% SALT FROM 4515' - 3580'. POOH AND WOC. REPAIR DRAW WORKS.

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