

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. 30-015-34543
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: 1724 STATE COM
8. Well Number 218885
9. OGRID Number 271
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 checked="" 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 C : 660' feet from the NORTH line and 1880' feet from the WEST line Section 27 Township 17S Range 24E NMPM County EDDY
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3744' GR	

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 type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input checked="" 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.

5/23/06 MIRU UNIT. PICK UP AND RIH W/ 4 3/4" BIT AND 2 7/8" DRILL PIPE. TAG LOAT COLLAR AT 8640'. SPOT 5000 GALS 15% HCL ACID. POOH.

5/24/06 TIH W/ TCP GUN ASSEMBLY. SPACE OUT. PRESSURE UP ON GUNS TO SHOOT. SHOOT HOLES AT 8655' J(14H), 8535' (13H), 8390' (12H), 8215' (11H), 8024' (11H). ACIDIZE PERFS W/ 5000 GALS 15% HCL ACID AT 16.4 BPM AND 2300#. ISDP 700#. POOH W/TUBING AND GUN ASSEMBLY. SWFN.

5/25/06 LAY DOWN TUBING. SET FRAC VALVE. WELL READY TO 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 9/12/06

Type or print name KANICIA DAVID

Telephone No. 432-848-0214

(This space for State use)

APPROVED BY FOR RECORDS ONLY TITLE DATE SEP 19 2006
Conditions of approval, if any: