

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO.
30-025-40448
5. Indicate Type of Lease
STATE [] FEE [x]
6. State Oil & Gas Lease No.
NMLC063798

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 [] Gas Well [] Other [x] (Acid Gas Injection)
2. Name of Operator
LUCID ENERGY DELAWARE, LLC
3. Address of Operator
3100 MCKINNON STREET, SUITE 800, DALLAS, TX 75201
4. Well Location
Unit Letter I : 1600 feet from the South line and 150 feet from the East line
Section 13 Township 24S Range 33E NMPM County LEA
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3580 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 COMPL []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: Mechanical Integrity Test [x]

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The MIT was conducted on Tuesday, March 8, 2022 at 12:00 pm (MT). Gary Robinson (NMOCD) was on site to witness and approve the test, and conduct a Bradenhead Test. Below is a step-by-step summary and results:

- 1. The annular space pressure between the production casing and tubing was 25 psi at the casing valve prior to the start of the MIT: Tubing pressure was 1252 with no TAG being injected.
2. The annular space pressure valve was closed to the well while attaching a line from the diesel pump truck, with a separate line from the well valve to a chart recorder (calibrated on 3/4/22)
3. At 12:32 pm, diesel from the pump truck was added. At 12:40 pm the annular pressure reached 365 psi; the chart recorder and well were isolated from the pump truck.
4. The MIT began at 12:45 pm (365 psi) and the chart recorded the annular pressure until 1:17 pm.
5. The annular pressure dropped from 365 psi to 340 psi; a loss of 25 psi (6.85% decrease) by the end of the test.
6. Diesel was then bled from the well annulus to the truck. At 340 psi (operation pressure) the valve to the well was shut and the remaining pressure was bled to the truck prior to disconnection of the line and chart.

In addition to the MIT, a Bradenhead Test was conducted by the NMOCD by monitoring the intermediate and surface casing annular space pressures. Please see the attached MIT pressure chart, calibration sheet, and Bradenhead Test documentation.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jaylen Fuentes TITLE: Environmental Air Technician DATE: 03/08/2022
Type or print name Jaylen Fuentes E-mail address: jafuentes@lucid-energy.com PHONE: 575-915-2201
For State Use Only

APPROVED BY: TITLE DATE
Conditions of Approval (if any):

D & L Meters & Instrument Service, Inc.

Lovington, NM 88260
P.O. Box 1621
Office: (575) 396-3715
Fax: (575) 396-5812



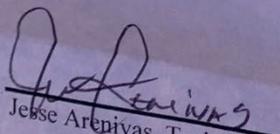
Date: Friday, March 4, 2022

Invoice # _____

Certification of Pressure Recorder Test:

Company: LEGENDARY SERVICES
Unit:
Model: 8" BULLFROG
Pressure Rating: 1K
Serial #: 8681

This Pressure Recorder was tested at midrange for accuracy and verified within +5% and -5% for 1K pressure element.


Jesse Arenivas, Technician

7702101
32 45

District I
 1625 N French Dr., Hobbs, NM 88240
 Phone: (575) 393-6151 Fax: (575) 393-0720

State of New Mexico
 Energy, Minerals and Natural Resources Department
 Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name LUCID Energy	API Number 30-025-40448
Property Name RED HILLS AGI	Well No. #1

Surface Location									
UL - Lot I	Section 13	Township 24S	Range 33E	Feet from	N/S Line S	Feet From 150	E/W Line E	County LEA	

Well Status												
TA'D WELL	<input checked="" type="radio"/> YES	<input checked="" type="radio"/> NO	SHUT-IN	<input type="radio"/> YES	<input type="radio"/> NO	INJ	INJECTOR	SWD	OIL	PRODUCER	GAS	DATE 3-8-22

AGI WELL
OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csg	(E)Tubing
Pressure	0	0		25	1250
Flow Characteristics					Acid Gas
Puff	Y/N	Y/N	Y/N	Y/N	CO2
Steady Flow	Y/N	Y/N	Y/N	Y/N	WTR
Surges	Y/N	Y/N	Y/N	Y/N	GAS
Down to nothing	Y/N	Y/N	Y/N	Y/N	Type of Fluid
Gas or Oil	Y/N	Y/N	Y/N	Y/N	Injected for
Water	Y/N	Y/N	Y/N	Y/N	Waterflood if
					applies

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

bled prod. csg to zero into truck (csg loaded w/ diesel)
BHT for AGI MIT
left 340 psi on prod. csg.

Signature:	OIL CONSERVATION DIVISION
Printed name: Jaylen Fuentes	Entered into RBDMS
Title: Environmental Air Technician	Re-test
E-mail Address: ja Fuentes@lucid-energy.com	
Date: 3-8-22	
Phone: 575-915-2201	
Witness: Larry Holmson	

INSTRUCTIONS ON BACK OF THIS FORM

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

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 811 S. First St., Artesia, NM 88210
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Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS
 Action 89292

CONDITIONS

Operator: LUCID ENERGY DELAWARE, LLC 201 S. Fourth Street Artesia, NM 88210	OGRID: 372422
	Action Number: 89292
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
bpowell	None	6/23/2022