RECEIVED CCD

#### **EXHIBIT 1:**

MAP AND TABLE OF WELLS DRILLED OR PROPOSED AFTER JANUARY 2012 ORDER R-13507 AND REVISED CALCULATED INJECTION PLUME



Figure C1: Locations of Wells Drilled Adjacent to Lucid Red Hills AGI #2 Since Approval of Order R-13507 in January 2012

	Table C1: Summary of Wells Completed or Proposed Following January 2012 Approval of AGI 001								
API	OPERATOR	WELL_NAME	SPUD_DATE	SECTION TOWNSHIP	RANGE	TVD_DEPTH	WELL_TYPE	COMPL_STATUS	ELEVGL FORMATION
3002540448	AGAVE ENERGY CO	RED HILLS AGI 001	10/23/2013	13 24.0\$_	33E	6650	Acid Gas Injection	Active	3574 Cherry Canyon
3002540914	COG OPERATING LLC	DECKARD FEE 001H	3/15/2013	13 24.05	33E	11034	Oil	Active	3600 Wolfcamp
3002541382	COG OPERATING LLC	DECKARD FEDERAL COM 002H	6/3/2014	13 24.0\$	33E	11067	Oil	Active	3592 Wolfcamp
3002541383	COG OPERATING LLC	DECKARD FEDERAL COM 003H	8/30/2014	13 24.05	33E	11050	Oil	Active	3595 Wolfcamp
3002541384	COG OPERATING LLC	DECKARD FEDERAL COM 004H	6/1/2014	13 24.05	33E	11103	Oil	Active	3601 Wolfcamp
3002543532	MATADOR PRODUCTION COMPANY	STRONG 13 24S 33E AR 211H		13 24.05	33E	11847 (est)	Gas	New (Not drilled or compl)	3602 Wolfcamp
3002541666	COG OPERATING LLC	SEBASTIAN FEDERAL COM 002H	2/24/2015	18 24.05	34E	10927	Oil	Active	3592 Wolfcamp
3002541687	COG OPERATING LLC	SEBASTIAN FEDERAL COM 001H	2/1/2015	18 24.05	34E	10944	Oil	Active	3599 Wolfcamp
3002541688	COG OPERATING LLC	SEBASTIAN FEDERAL COM 003H	8/3/2014	18 24.05	34E	11055	Oil	Active	3583 Wolfcamp
3002541689	COG OPERATING LLC	SEBASTIAN FEDERAL COM 004H	7/2/2014	18 24.05	34E	10877	Oil	Active	3581 Wolfcamp

RECEIVED OCD : 2011 OCT 18 P 3: 10

#### **EXHIBIT 2:**

# DOCUMENTATION IN SUPPORT OF INJECTION DEPTH CHANGES AND C-145

Form 3160-5 (August 2007)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

#### UDDY NOTICES AND DEPORTS ON WELLS

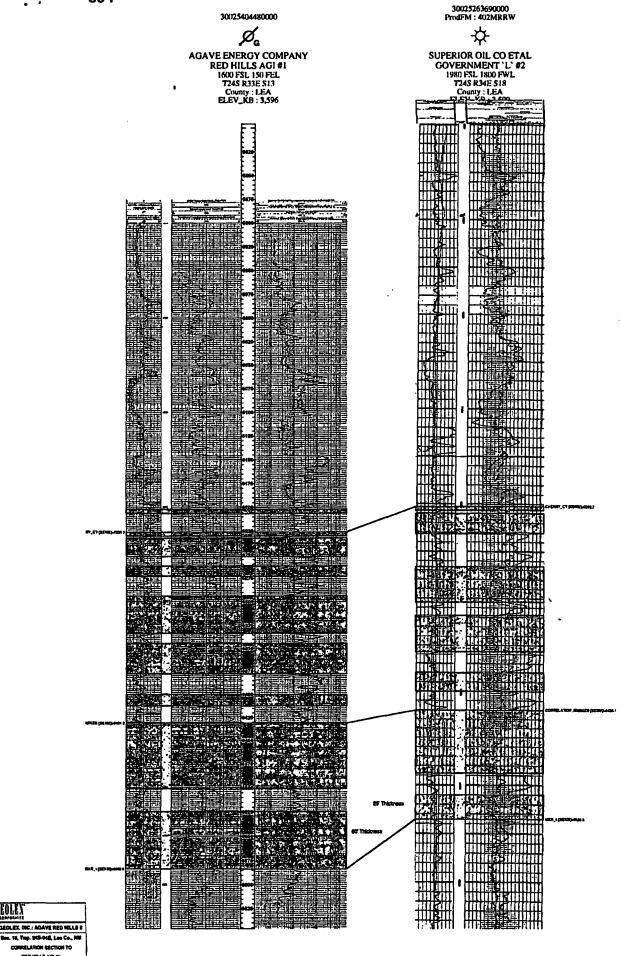
OCD CD	FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010
HOERS OC	5. Lease Serial No. NMLC063798

SUNDRY	NMLC06379	8						
Do not use thi abandoned wei	s form for proposals to i. Use form 3160-3 (AP	drill or to re D) for such p	enter an roposals. []	EC 0920	36. If Indian, Allotte	æ or Trib	: Name	
SUBMIT IN TRI	7. If Unit or CA/A	greement,	Name and/or No.					
1. Type of Well Gas Well Oth	1. Type of Well Oas Well Other: INJECTION							
2. Name of Operator AGAVE ENERGY COMPANY		MICHAEL W eolex.com	SELKE		9. API Well No. 30-025-4044	8-00-X1		
3a. Address 105 S FOURTH ST ARTESIA, NM 88210	<del></del>	e)	10. Field and Pool AGI	or Explo	ratory			
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description	Fx: 505-842			11. County or Pari	sh, and St	ate	
Sec 13 T24S R33E NESE 160			LEA COUNT	Y, NM				
12. CHECK APPR	OPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, RI	EPORT, OR OTI	IER DA	TA	
TYPE OF SUBMISSION			ТҮРЕ О	F ACTION			•	
☐ Notice of Intent	☐ Acidize	☐ Dee	en	□ Product	on (Start/Resume)	<b>o</b> '	Water Shut-Off	
_	□ Alter Casing	☐ Frac	ture Treat	□ Reclama	ation	0	Well Integrity	
Subsequent Report	□ Casing Repair	□ New	Construction	□ Recomp	lete		Other	
☐ Final Abandonment Notice ☐ Change Plans		Plug	Plug and Abandon Temporarily A		arily Abandon	υn	illing Operations	
	□ Convert to Injection	Plug	Back	■ Water D	isposal			
Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fine proposed TD for Agave R zone were approximately 50 that attachment) it was necessary sand unit marker bed in Red H	operations. If the operation re andonment Notices shall be fil nal inspection.) ed Hills AGI #1 was 6,60 nicker than anticipated ba to increase the depth of t	sults in a multipled only after all of feet. Becaused on the of he well to 6.6	e completion or rec equirements, inclu use the sand un I-set well E-logs 50 feet. Correla	completion in a reding reclamation in the injects of the injects o	ew interval, a Form : n, have been complete ction	3160-4 ch:	all be filed once	
				<u> Ka</u>	DE	.C 4		
14. I hereby certify that the foregoing is  Co	# Electronic Submission For AGAVE mmitted to AFMSS for pro	226999 verifie ENERGY CON cessing by Kl	I by the BLM We PANY, sent to I RT SIMMONS of	ell Information the Hobbs n 12/04/2013 (	System RUREAU 14JLD0749S)CARI	OF LAND SBAD F	) MANAGEMENT IELD OFFICE	
Name(Printed/Typed) MICHAEL	W SELKE		-inc GEOL	odio1, CON	GOLIANI TO AL	3AVE		
Signature (Electronic S	ubmission)		Date 11/15/	2013				
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE			
Approved By ACCEPT	ED		EDWARD TitlePETROL	FERNANDE			Date 12/04/2013	
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent to conduct the conduction of the conduct	itable title to those rights in the		Office Hobbs					
			<del></del>					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

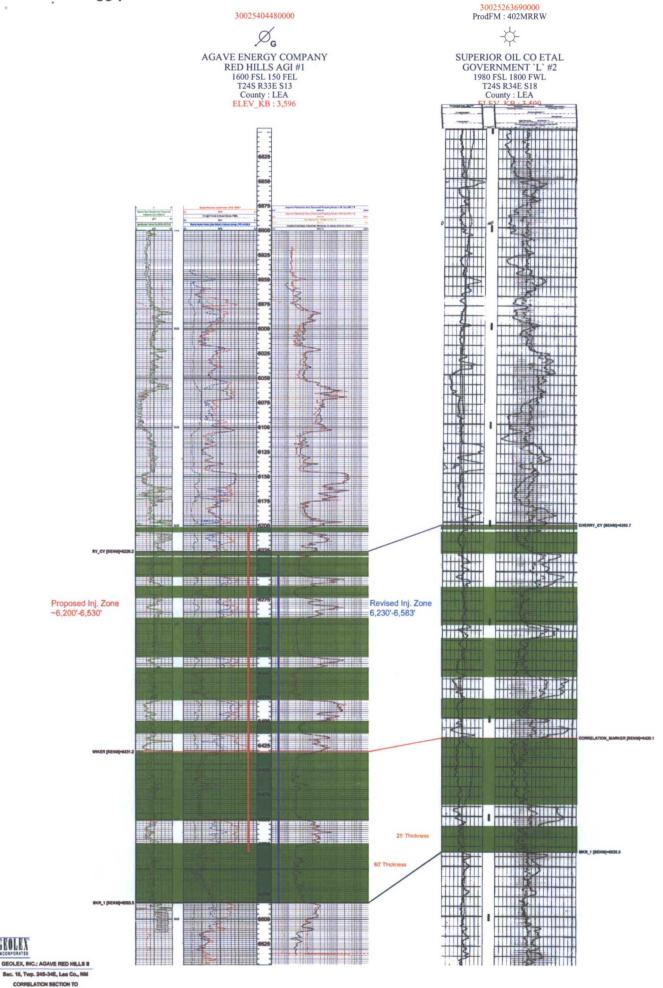
CEOLEX

CORRELATION INICION TO RED HILLS AGE II



**GEOLEX** 

RED HILLS AGI #1



#### AGAVE RED HILLS AGI #1 PROPOSED WELLBORE

Location: STR County, St.:	RED HILLS PLANT S13-T24S-R33E LEA, NEW MEXICO		SURFACE CASING 20", 94#/ft, H40, STC at top of Rustler ~ 1245'
	0	OH = 26" SSSV at 250'	INTERMEDIATE CASING:
		20" at 1245'	13 3/8", 54.5#/ft, J55, STC at base of salt ~ 5190'
		OH = 17 1/2"	PRODUCTION CASING: 7", 26 #/ft, L80, FJ at 6550'
			TUBING: Subsurface Safety Valve at 250 ft
		DV Tool at 3000'	2 1/2", 9.3#/ft, L80, Premium thread at 6170'  PACKER: Permanent Production Packer
		13 3/8" at 5190'	Check valve (optional)
		OH = 12 1/4" - 3 1/2" to 6170' Corrosion Resistant	PERFORATIONS:
		Alloy (CRA) Joint Packer at about 6170'	Primary Target Secondary Target  Upper Cherry Canyon Fm at approx. (6200'-6530'
		Check valve	
		Perforations 6200'-6530'	
		7" at 6550'	

TD: 6550'

Submit 1 Copy To Appropriate District Office	State of New Me	exico	Pavi	Form C-103 sed July 18, 2013
Office <u>District 1</u> – (575) 393-6161  1625 N. French Dr., Hobbs, NM 8824  District 11 (575) 746 1283	CD, Minerals and Natu	rai Resources	VELL API NO.	sed July 16, 2013
District II - (575) 748-1283 811 S. First St., Artesia, NM 8821 AUG 1 4 20	OH CONTREDITION	DIVISION	0-025-40448  Indicate Type of Lease	SURFACE
District III - (505) 334-6178 AUG 1 4 21	1220 South St. Fran	icis Dr.	STATE FE	
District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, RECEIVE	Santa Fe, NM 87	-	State Oil & Gas Lease No	0.
87505			VMLC063798	
SUNDRY NOTICES A (DO NOT USE THIS FORM FOR PROPOSALS T DIFFERENT RESERVOIR USE "APPLICATION		UG BACK TO A	<ul> <li>Lease Name or Unit Agre</li> <li>RED HILLS AGI</li> </ul>	eement Name
PROPOSALS.)		8	. Well Number	~
Type of Well: Oil Well Gas V     Name of Operator  Gas V	Well Other: Acid Gas Inj		OGRID Number	
LUCID ENERGY DELAWARE, LLC	AGAVE ENERG	y co	147831	/
3. Address of Operator 3100 MCKINNON STREET, SUITE 800	0, DALLAS, TX 75201	1	Pool name or Wildcat     EXPLORATORY CHER	RY CANYON
4. Well Location	a Constant Constant II	150 5	C d D	
Unit Letter I : 1600 fee	et from theSouth lir Township 24S	ne and 150 feet Range 33E		line ity LEA
THE RESIDENCE OF THE PARTY OF T	Elevation (Show whether DR,		TAINI M	NY EEA
Mail County Coun	3580 ft. GL			
12. Check Appro	opriate Box to Indicate N	ature of Notice, Re	eport or Other Data	
NOTICE OF INTEN			EQUENT REPORT C	)F·
PERFORM REMEDIAL WORK PLU	JG AND ABANDON	REMEDIAL WORK	ALTERIN	G CASING
	ANGE PLANS   LTIPLE COMPL	COMMENCE DRILLI CASING/CEMENT J		
PULL OR ALTER CASING MUI	LIIPLE COMPL	CASING/CEMENT 3	ОВ	
CLOSED-LOOP SYSTEM		071155		
OTHER: Remove TA  13. Describe proposed or completed or	A Status and Complete   operations. (Clearly state all r	OTHER:	ive pertinent dates, includin	g estimated date
of starting any proposed work). S proposed completion or recomple	SEE RULE 19.15.7.14 NMAC			
In 2014 Agave Energy Corp received p	permission from NMOCD t	to temporarily aband	on the Red Hills AGI #1	after drilling it
and cementing all the casing until gas of				
the casing was installed and cemented				
perforations, testing, and tubing and eq Lucid Energy Delaware LLC (Lucid) a				
perform the treatment of increasingly s		plant and now requi	ires the completion of the	well to
Lucid now respectfully requests peri no changes to the original completion			olete the Red Hills AGI	#1 well with
The current well design and completion components of the well completion, inc				ments. Major
•				
<ol> <li>Install 5,000 psi manual BOP</li> <li>Drill out cement and DV Tool.</li> </ol>	Circulate clean and test ca	sing to 3 000 psi		
3) TIH and clean out casing to 6,			t casing to 3,000 psi.	
4) RU Wireline. Run GR/CCL/C			seline Log from PBTD to	5,500'
without pressure and from PB7 5) Perforate using casing gun (6 s			1 450 holes)	
a. 6,230' – 6,250'	practice radial spacing) as	Tollows. (243 fiel I		
b. 6,260' – 6,280'			Condition of App	Market Committee
c. 6,295' – 6,335' d. 6,355' – 6,380'		TIKE	OCD Hobbs off	ice 24 hours
e. 6,400' – 6,415'	SUBJE	ECT TO LIKE	prior of running M	IT Test & Chart
f. 6,435' – 6,500'	APPR	OVAL BY BLM		
g. 6,525' – 6,583'	•	50	prior of running M e page.#2	MR
			0	MB

- 6) Swab approximately 500 bbls of fluid into the swab tanks while monitoring for recoverable hydrocarbons and recover appropriate formation water samples for laboratory analysis (10 composite samples of last 100 bbls)
- 7) While under static conditions, run fiber optic slick line and bottom-hole pressure gauges to record static BHP and temperature profile
- 8) RU w/ 2-7/8" tbg sub, 7" x 2-7/8" Retrievable packer, SN, and 2-7/8" tbg workstring. Set pkr at ~6,180' (50'-75' above top perf).
- 9) Acidize injection zone with 14,500 gallons of double inhibited NE Fe 15% HCl, flush with fresh water, and leave shut in overnight
- 10) Install BHP gauges on slick line, leave hanging as deep as possible, and allow 2 hours for BHP to stabilize. BHP will give real-time data output in order to be synchronized with surface pressure for step-rate test.
- 11) Conduct a Step-Rate Test (SRT) with fresh water over the injection zone in accordance with attached BLM SRT
- 12) Following the SRT, shut in the well for a 10-day fall-off test
- 13) Upon completion of the fall-off test and evaluation of the results, the temporary packer will be unseated and removed on the work string tubing.
- 14) A bit and casing scrapper will be run on the work string to approximately 6,220 feet. The work string will then be removed and laid down.
- 15) A wire line junk basket/gauge ring/dummy packer will be run to approximately 6,200 feet
- 16) The Halliburton BWD Nickel Alloy 925 permanent packer assembly will be set on a wire line packer setting tool/GR/CCL at approximately 6,170 feet (approximately 60 feet above the uppermost perf)
- 17) Assemble and install Incoloy 925 packer seats and pressure sensors with approximately 300 feet of 3.5-inch, 9.2 lb/ft, SM2550, VAM Top injection tubing and 3.5-inch 9.3 lb/ft L-80 VAM Top tubing as needed to approximately 250 feet below the surface
- 18) Assemble, test, and install subsurface safety valve on 3.5-inch 9.2 lb/ft L-80 VAM Top tubing as needed to surface
- 19) Prior to stinging into the packer, the tubing and annulus will be filled with diesel and corrosion inhibitor biocide.
- 20) The tubing will be seated into the packer and the injection tree/tubing hanger will be installed and pressure tested up to 250 psi for 10 minutes followed by 5000 psi for 10 minutes.
- 21) A Mechanical Integrity Test (MIT) witnessed by NMOCD will be performed to verify that all components are properly installed and working.

Twenty-four hours prior to conducting the SRT and the MIT, notice will be provided to both the BLM and NMOCD so that these procedures can be witnessed. Well completion activities are tentatively scheduled to begin in November, 2017.

A projected completion diagram is attached.

SUBJECT TO LIKE APPROVAL BY BLM

Condition of Approval: notify OCD Hobbs office 24 hours for of running MIT Toot & Ch.

DATE 8/14/2017

	The state of Cuart
Spud Date: October 23, 2013 Rig Release	Date: November 20, 2013
I hereby certify that the information above is true and complete to the	best of my knowledge and belief.
SIGNATURE	TITLE CONSULTANT TO LUCID DATE 8/10/2017
Type or print name Alberto A. Gutierrez, RG E-mail address:  For State Use Only  APPROVED BY:  Conditions of Approval (if any)	AO/II PHONE: 505-842-8000  DATE 8/14/2011

#### Lucid Energy Red Hills AGI #1 Well Schematic with Proposed Completion Red Hills AGI #1 Well Name: **Footage** 1600' FSL & 150' FEL API: 30-025-40448 **Well Type** AGI Exploratory Cherry Canyon Sec. I-13, T24S-R33E 3596/3580 STR. KB/GL: County, St. Lea County, New Mexico Lat, Long: 32.214586, -103.517520 20" CONDUCTOR PIPE to 40 ft. 200 13 3/8" SURFACE CASING to 1.372 ft. 17.5" OH 400 Dockum (451') 13 3/8", 48 #/ft., H-40, STC 600 Cmnt to surface - 90 bbls returned Lead Cmnt: 820 sx C Lite 800 Tail Cmnt: 180 sx Class C 1000 SSSV @ 250' 1200 Rustler (1257') Magenta Dolo. (1351') 1400 1600 9 5/8" INTERMEDIATE CASING to 5.346 ft. 12.25" OH 9 5/8", 40 #/ft., J-55, LT&C 0-100' 1800 Salado (1806') 9 5/8", 36 #/ft., J-55, LT&C 100-3,300' 2000 9 5/8", 40 #/ft., J-55, LT&C 3,300'-4,200' 9 5/8", 40 #/ft., HCK-55, LT&C 4,200'-5,346' 2200 Cmnt to surface - 60 bbls returned 2400 Lead Cmnt: 1,280 sx C Lite 2600 Tail Cmnt: 180 sx Class C 2800 7" PRODUCTION CASING to 6,650 ft. 8.75" OH 3000 7" 26 #/ft., L80, LT&C from 0'-6,650' w/ 7" SM2550 CRA from 5,702'-6,239' 3200 Cmnt to surface both stages - 1.5 bbls 3400 Stage 1 - Lead: 250 sx EverCrete 3600 StageTool in 7-in casing @ 5,539' Stage 2 - Lead: 490 sx C Lite Castile (3457') 3800 Stage 2 - Tail: 100 sx Class C 4000 4200 **TUBING AND EQUIPMENT** 4400 Halliburton Retrievable SSSV set @ 250 ft. 3.5", 9.3 #/ft, L80, Premium thread from 0'-5,870' 4600 3.5",SM2550, VAMTOP from 5,870'-6,167' 4800 Bottom Hole P/T Gauge set above packer @ 6,167'-6,170' 5000 Permanent Production-Packer set @ 6,170' Delaware (5205') Check Valve and Choke (optional) 5200 Bell Canyon (5246') Annulus filled w/ diesel mixed with corrosion inhibitor/biocide 5400 **PERFORATIONS** 5600 **Primary Target:** 5800 Upper Cherry Canyon (6 spf @ 60°) 6000 6,230' - 6,250' 6,260' - 6,280' 6200 Cherry Canyon (6226') 6,295' - 6,335' 6400 6,355' - 6,380' 6,400' - 6,415' 6600 6,435' - 6,500' Prepared For: Prepared By: 6800 TD at 6,650 feet 6,525' - 6,585'

Schematic is properly scaled

C-145

Page 1 of 3

Clatrict | 1626 N. French Dr., Hobbs, NM 88240 Phono:(678) 963-6161 Fac:(679) 388-0720 **District II** 819 S. First St., Artonio, NM 88210 Phone:(676) 748-1288 Froc(675) 748-9720 District III 1000 Rio Brazos Rd., Astec, NM 67410 Phone:(505) 934-6178 Fac(505) 934-6170 1220 9. St Francis Dr., Sente Fe, NM 87505 Phone: (505) 476-3470 Fex: (505) 478-3482

#### State of New Mexico **Energy, Minerals and Natural** Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87605

Form C-145 Revised May 19, 2017

Permit 241281

HOBBS OCD

OCT 0 2 2017

#### Previous Operator Information

#### **New Operator Information**

Change of Operator

RECEIVED

_		•	,	
		Effectiva Date:	Effective on the date of approval by the OCD	
OGRID:	147831	OGRID:	372422.	
Name:	AGAVE ENERGY CO	Name:	LUCID ENERGY DELAWARE, LLC	
Address:	326 Wast Quay Street	Address:	3100 McKinnon Suite 800	
City, State, Zip:	Artesia, NM 88210	City, State.	Dalles, TX 75201	
		Zip:		

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been compiled with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, LUCID ENERGY DELAWARE, LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

#### LUCID ENERGY DELAWARE, LLC understands that the OCD's approval of this operator change:

- 1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with
- 2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

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C-145

#### As the operator of record of wells in New Mexico, LUCID ENERGY DELAWARE, LLC agrees to the following

- 1. Initials \_\_\_\_\_\_ I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
- Initials \_\_\_\_\_\_I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
- Initials \_\_\_\_\_ I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fall to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.

4. Initials \_\_\_\_ i understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19, 18,28,8 NMAC, I understand the requirements for plugging and approved temporary abandonment in 19,15,25 NMAC, I understand that I can check my compliance with the basic requirements of 19,15,25,8 NMAC by using the "inactive Well List" on OCD's website.

5. Initials \_\_\_\_\_ I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "inactive Well Additional Financial Assurance Report" on the OCD's website.

Initials \_\_\_\_\_\_ I am responsible for reporting releases as defined by 19.15.29 NMAC. I understand the OCD will look to me as
the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred
before I became operator of record.

7. Initials \_\_\_\_\_\_I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and hot have too many wells out of compliance with the inactive well rule (18.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drift, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials \_\_\_\_\_\_For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in controlled to the terms of the interstand that I must report injection are my monthly C-115 report and must operate my wells in controlled to the terms of the interstand that I must report the first orders.

8. Initials \_\_\_\_\_\_ For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC, I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a satiwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.16 NMAC.

I am responsible for providing the OCD with my current eddress of record and emergency contact information, and I am responsible for updating that information when it changes, See Subsection C of 19.15.9.8 NMAC, I understand that I can update that Information on the OCD's website under "Electronic Permitting."

10. Initials \_\_\_\_\_\_(if I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

11. Initials \_\_\_\_\_\_ No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.

12. Initials \_\_\_\_\_\_NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

PAGE 03

Page 3 of 3

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous (	<del>Operator</del>	New Ope	retter 11
Signature:		Signature;	ATM
Printed Name:		Printed Name:	Grant Maffee
Title;		Title:	Director of John of Service
Date:	Phone:	Date:	9/29/17 Phone: 214-420-4950

NMOCD Approval
Electronic Signature: Paul Kautz, District 1

Date: October 02, 2017

Wells Selected for Transfer

Permit 241281

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

<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone:(575) 748-1283 Fax:(575) 748-9720

<u>District III</u>
1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170

<u>District IV</u>
1220 S. St Francis Dr., Santa Fe, NM 87505

Phone:(505) 476-3470 Fax:(505) 478-3462

#### **State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505**

#### 1 Well Selected for Transfer

From:	OGRID:
AGAVE ENERGY CO	147831
To:	OGRID:
LUCID ENERGY DELAWARE, LLC	372422

#### OCD District Hobbs (1 Well selected.)

Property	Well	Туре	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name
319701	RED HILLS AGI #001	F	I-13-24S-33E	ı	30-025-40448	I	97887	AGI;CHERRY CANYON

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3470 Fax: (505) 476-3462

#### **State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505**

Comments

Permit 241281

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Operator:  AGAVE ENERGY CO 326 West Quay Street Artesia, NM 88210		OGRID: 147831 Permit Number: 241281	
	·	Permit Type: ChangeOp	
Comments			
Created By	Comment	Comment Date	

There are no Comments for this Permit

RECEIVED OCD

2011 OCT 18 P 3: 10

#### **EXHIBIT 3:**

# AFFIDAVIT OF ERNEST L. PADILLA WITH EXHIBIT A ATTACHMENT

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

> Reopened Case No. 14720

APPLICATION OF AGAVE ENERGY COMPANY FOR AUTHORITY TO INJECT, LEA COUNTY, NEW MEXICO

**AFFIDAVIT** 

**STATE OF NEW MEXICO** }

SS

**COUNTY OF SANTA FE** 

AFFIANT, ERNEST L. PADILLA, first being duly sworn on oath states:

Ernest L. Padilla, attorney for Lucid Energy Delaware, LLC, the Applicant herein, states that a copy of the Fourth Motion to Amend Order R-13507 was hand-delivered to Concho Resources, Inc. and delivered to Kaiser Francis Oil Co., by federal express, parties of interest as shown on Exhibit "A" attached hereto in accordance with Oil Conservation Commission Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

ERNEST/L. PADILLA

SWORN TO AND SUBCRIBED to before me this 3<sup>rd</sup> day of October, 2017 by ERNEST L. PADILLA.

John B. Jally Ja Notary Public

B My Commission Expires:

PUBLIC CO.

#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

> Reopened Case No. 14720

APPLICATION OF AGAVE ENERGY COMPANY FOR AUTHORITY TO INJECT, LEA COUNTY, NEW MEXICO

### EXHIBIT A ATTACHMENT TO AFFIDAVIT

1) Concho Resources, Inc.

delivered 9/13/2017

signed by JJ dated 9/13/2017

2) Kaiser Francis Oil Co.

delivered 9/14/2017

signed by Rebecca Null

PADILLA LAW FIRM, P.A.

STREET ADDRESS
1512 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
MAILING ADDRESS
P.O. BOX 2523
SANTA FE, NEW MEXICO 87504-2523

EMAIL ADDRESS
padillalaw@qwestoffice.net

FACSIMILE 505-988-7592

Ba. 3.10

September 13, 2017

#### HAND DELIVERY ONLY

TELEPHONE

505-988-7577

Concho Resources, Inc. 1048 Paseo De Peralta Santa Fe, NM 87501-3034

ATTN: Ocean Munds-Dry

Re: NMOCC Case# 14720 (Reopened); In the Matter of the Application of Lucid

Energy Delaware LLC to Modify NMOCC Order R-13507

Dear Ms. Munds-Dry:

This letter will advise that Lucid Energy Delaware LLC has filed an Application with the New Mexico Oil Conservation Commission seeking to modify NMOCC Order R-13507. A copy of the application is enclosed.

This application will be set for hearing before the Oil Conservation Commission on October 4, 2017 at 9:00 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at the time and become a party of record will preclude you from challenging these applications at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Oil Conservation Commission, counsel for the Applicant, and other parties with a prehearing statement at least four business days before the scheduled hearing date in accordance with Oil Conservation Division Rule 1211.

erytruly yours,

ERNEST L. PADILLA

ELP:jbg

cc: Geolex, Incorporated

**Invoice Number** 5-937-67378

**Transportation Charge** 

Fuel Surcharge

**Total Charge** 

**Invoice Date** Sep 22, 2017

**Account Number** 1038-3890-8

FedEx Express Shipment Detail By Payor Type (Original)

Ship Date: Sep 13, 2017 Cust. Ref.: NO REFERENCE INFORMATION Payor: Shipper Ref.#3:

- Fuel Surcharge FedEx has applied a fuel surcharge of 5.00% to this shipment.
- Business Closed or Adult Recipient Unavailable Delivery Not Completed.
- Distance Based Pricing, Zone 4

Delivered Svc Area

Signed by

FedEx Use

1st attempt Sep 14, 2017 at 07:17 AM.

A1

Rebecca Null

025650521/10/

- FedEx has audited this shipment for correct packages, weight, and service. Any changes made are reflected in the invoice amount.
- The package weight exceeds the maximum for the packaging type, therefore, FedEx Envelope was rated as Customer Packaging.

Automation Sender Recipient 809225353386 ERNEST L PADILLA KAISER FRANCIS OIL CO Tracking ID PADILLA LAW FIRM PA 6733 S YALE AVE Service Type FedEx First Overnight Package Type **Customer Packaging** 1512 S SAINT FRANCIS DR **TULSA OK 74136 US** SANTA FE NM 87505-4040 US Zone **Packages** 4.0 lbs, 1.8 kgs Sep 14, 2017 09:11 Rated Weight



**Shipper Subtotal** USD **Total FedEx Express** 

USD

USD \$100.34