

+++Submit 1 Copy To Appropriate District 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 <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NMLC063798
7. Lease Name or Unit Agreement Name RED HILLS AGI
8. Well Number #001
9. OGRID Number 372422
10. Pool name or Wildcat EXPL. CHERRY CANYON

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

2. Name of Operator
Lucid Energy Delaware LLC

3. Address of Operator
3100 MCKINNON STREET, SUITE 800, DALLAS, TX

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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to Test the tubing and Bottom Hole assembly due to communication between the Tubing and the annulus.
 After testing, if warranted, will pull the tubing and bottom hole assembly
 Run Casing Inspection Log, Tubing Scan and inspection of all downhole tools.
 If warranted, will lay down the original tubing string and install a new 3 1/2" tubing string and new bottomhole assembly.
 Load the annulus with corrosion treated diesel and test the tubing and casing.
 Recommence injection .

Workover date is dependent upon availability of new tubing. We expect delivery by February 1st.

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 Lucid Energy DATE _____

Type or print name Paul Ragsdale E-mail address: pragsdale3727@gmail.com PHONE: 575-626-7903

For State Use Only

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