Form 3160-5 (June 2015)

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

GED Hobbs

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No. NMLC063798

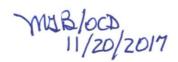
6. If Indian, Allottee or Tribe Name

## SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SOBINIT IN THI LIGATE - Other instructions on page 2					7 Unit of CA/Agree	ement, Name and/or No.
Type of Well     Oil Well		NOV 1 4 20 HED HILLS AGI 1				
2. Name of Operator Contact: JARED R SMI LUCID ENERGY DELAWARE, LLC E-Mail: jsmith@geolex.com				RECEIV 20-025-40448		
3a. Address 3100 MCKINNON STREET, # DALLAS, TX 75201	(include area cod -8000	le)	10. Field and Pool or Exploratory Area EXPLORATORY CHERRY CANYON			
4. Location of Well (Footage, Sec., T.			11. County or Parish, State			
Sec 13 T24S R33E 1600FSL			LEA COUNTY, I	NM		
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					*
■ Notice of Intent	☐ Acidize	☐ Deep	☐ Deepen		ion (Start/Resume)	☐ Water Shut-Off
Notice of Intent	☐ Alter Casing	☐ Hydr	raulic Fracturing    Reclam		ation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	□ New	Construction	□ Recomp	olete	Other
☐ Final Abandonment Notice ☐ Change Plans		☐ Plug	and Abandon	☐ Tempor	rarily Abandon	
	☐ Convert to Injection	Plug	Back	☐ Water I	Disposal	
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.  This is notification of Change of Operator on the above reference well.  Lucid Energy Delaware, LLC as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease of portion of lease described.  Bond Coverage: Bond File No.: 106636326  Change of Operator Effective: 08/30/2017  Former Operator: Agave Energy Company (now acquired by Lucid Energy Delaware, LLC)  SEE ATTACHED FOR CONDITIONS OF APPROVAL						
14. I hereby certify that the foregoing is true and correct.  Electronic Submission #390913 verified by the BLM Well Information System  For LUCID ENERGY DELAWARE, LLC, sent to the Hobbs  Committed to AFMSS for processing by PAUL SWARTZ on 10/05/2017 ()						
Name (Printed/Typed) JARED R	SMITH		Title CONS	SULTANT TO	LUCID ENERGY	
Signature (Electronic S	Submission)		Date 10/05	/2017		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By C. Nimmer			Title Per	troloum	Engineer	Date (1/7/20
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.			Office	BLM -	CFO	
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.						

(Instructions on page 2)

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*



## BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

620 E. Greene St Carlsbad, NM 88220 Ph: (575) 234-5972

## **Conditions of Approval for Change of Operator**

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method within 60 days, if changes have been made from previously approved disposal method.
- 3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
- 11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.