

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS
HOBBS
JAN 16 2018
RECEIVED

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

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMLC063798
2. Name of Operator LUCID ENERGY DELAWARE, LLC Contact: JARED R SMITH E-Mail: jsmith@geolex.com		6. If Indian, Allottee or Tribe Name
3a. Address 3100 MCKINNON STREET SUITE 800 DALLAS, TX 75201	3b. Phone No. (include area code) Ph: 505-842-8000	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T24S R33E Mer NMP 1600FSL 150FEL 32.214695 N Lat, 103.518009 W Lon		8. Well Name and No. RED HILLS AGI 1
		9. API Well No. 30-025-40448
		10. Field and Pool or Exploratory Area EXPLORATORY CHERRY CANYON AGI
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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.

Completion of the well began on December 13, 2017 by drilling out the DVT and tagging cement. On December 14, 2017 Schlumberger ran GR, CCL, CBL, and USIT. The CBL and USIT were submitted to Paul Swartz (BLM) via email on December 15, 2017 as the files were too large to submit via WIS. Also on December 15, 2017 the 7-inch casing was perforated according to the proposal from 6230 to 6583 feet. Schlumberger tagged the bottom of the hole at 6,605 feet.

The perforations were acidized on December 18, 2017 with a total of 378 bbl of 15 percent HCl, 65 bbl brine, and flushed with 71 bbl KCl water (454 bbl total). The average pump rate was 4.97 BPM and the average surface pressure was 1988 psi. The maximum pump rate was 5.05 BPM and the maximum surface pressure was 2126 psi (see attached report from Elite Well Services).

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct. Electronic Submission #398962 verified by the BLM Well Information System For LUCID ENERGY DELAWARE, LLC, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on 01/02/2018 ()	
Name (Printed/Typed) JARED R SMITH	Title CONSULTANT TO LUCID ENERGY
Signature (Electronic Submission)	Date 12/22/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>PR Swartz</i> 01/03/2017	Title <i>TPET</i>	Date
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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 ** OPERATOR-SUBMITTED **** *Ke*

1.1 Well Information

1.2 Customer Information

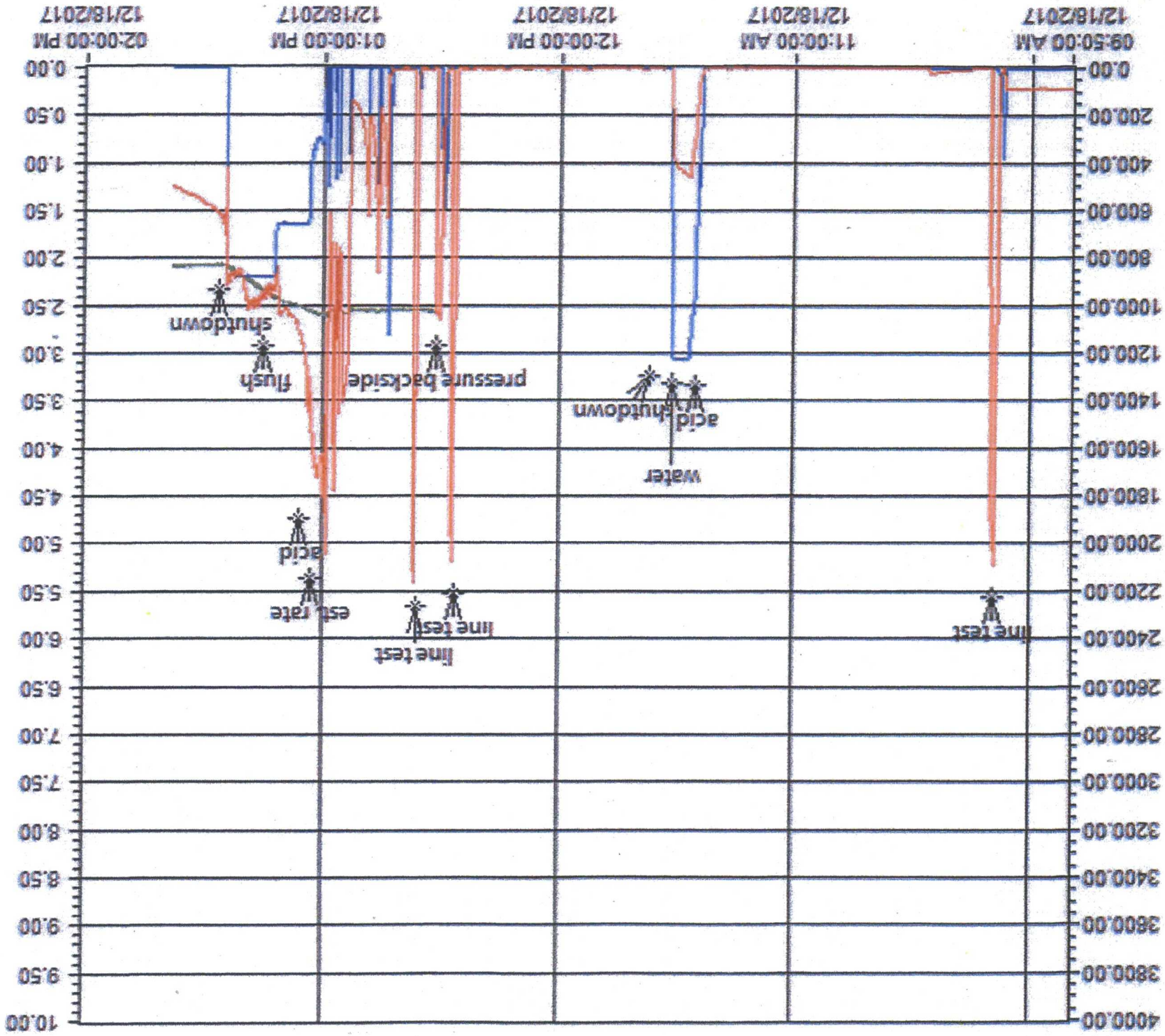
Customer	Geolex
Sales Order	00003788
Well Name	Red Hills AGI
Interval	1
Well Number	#1
Start Time	12-18-2017
County	Lea
State	NM
UWI/API	30-025-40448
Lease Name	Unknown
Country	USA
H2S Present	No
Customer Representative	Terry Dickman
Elite Well Services Representative	Steven Molina

1.3 Pipe Information

Equipment	Top MD ft	Bottom MD ft	OD in	ID in	Grade	Weight lb/ft
Tubing	6230	6583	2.875	2.229	P-110	7.9
Casing	6200	6600	7	6.151	L-80	26

Job Event Log

[illegible]



☒ Annulus
☒ Rate
☒ STP

