

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-40448
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> (Acid Gas Injection)		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator LUCID ENERGY DELAWARE, LLC		6. State Oil & Gas Lease No. NMLC063798
3. Address of Operator 3100 MCKINNON STREET, SUITE 800, DALLAS, TX 75201		7. Lease Name or Unit Agreement Name Red Hills AGI
4. Well Location Unit Letter <u>I</u> : <u>1600</u> feet from the <u>South</u> line and <u>150</u> feet from the <u>East</u> line Section <u>13</u> Township <u>24S</u> Range <u>33E</u> NMPM County <u>LEA</u>		8. Well Number #001
11. Elevation (Show whether DR, RKB, RT, GR, etc.): 3580 GR		9. OGRID Number 372422
		10. Pool name or Wildcat EXPL. CHERRY CANYON

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Mechanical Integrity Test <input checked="" 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.

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:

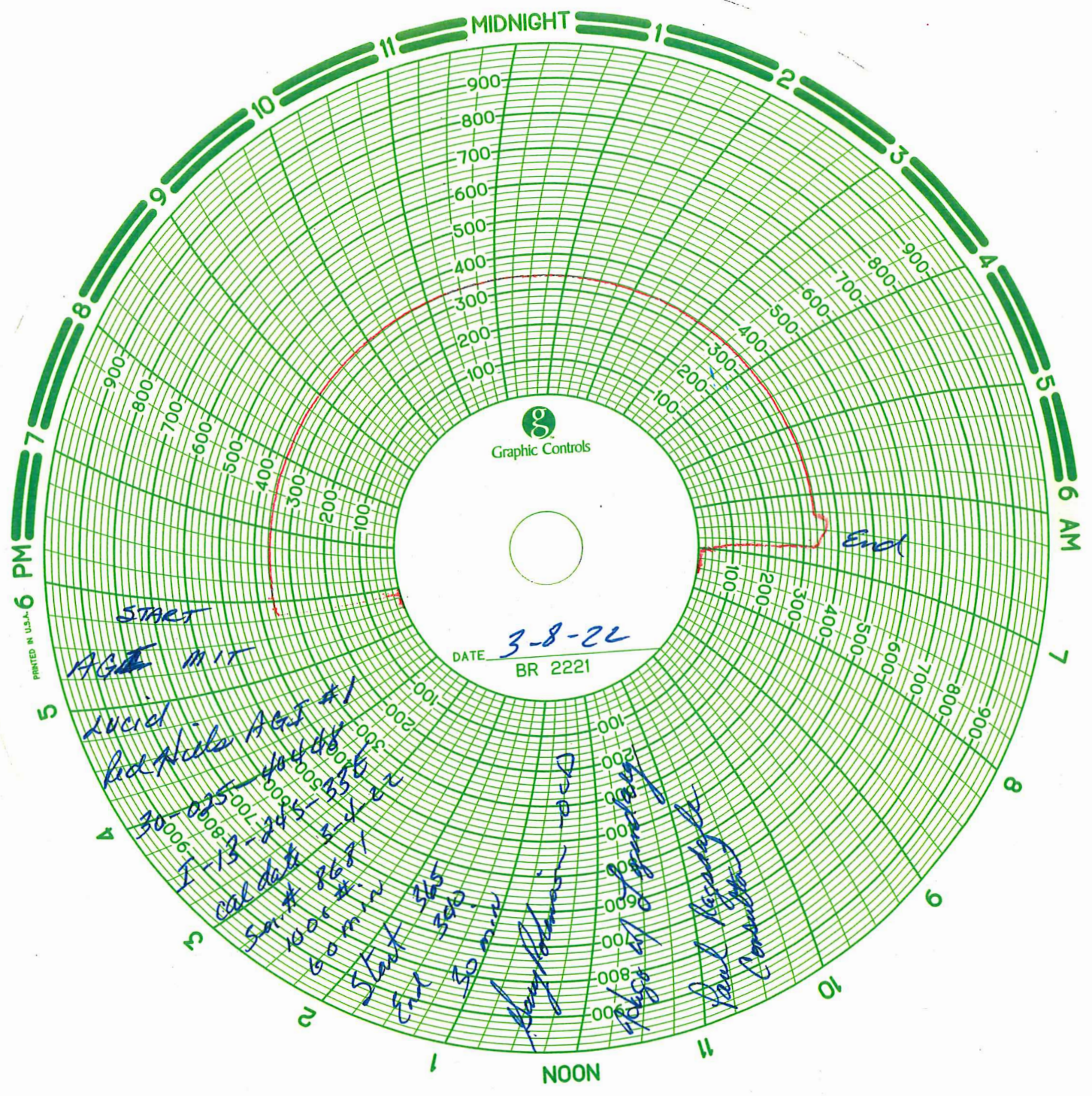
1. The annular space pressure between the production casing and tubing was 25 psi at the casing valve prior to the start of the MIT: Tubing pressure was 1252 with no TAG being injected.
2. The annular space pressure valve was closed to the well while attaching a line from the diesel pump truck, with 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



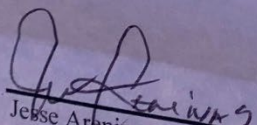
**Date:** Friday, March 4, 2022

**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 <b>LUCID Energy</b>		API Number <b>30-225-40448</b>	
Property Name <b>RED HILLS AGI</b>		Well No. <b>#1</b>	

Surface Location									
UL - Lot <b>I</b>	Section <b>13</b>	Township <b>24S</b>	Range <b>33E</b>		Feet from <b>1600</b>	N/S Line <b>S</b>	Feet From <b>150</b>	E/W Line <b>E</b>	County <b>LEA</b>

Well Status									
TA'D WELL YES	<b>NO</b>	SHUT-IN YES	NO	INJ	SWD	OIL	PRODUCER	GAS	DATE <b>3-8-22</b>

**AGI WELL**  
**OBSERVED DATA**

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csg	(E)Tubing
Pressure	<b>0</b>	<b>0</b>		<b>25</b>	<b>1250</b>
Flow Characteristics					<b>Acid Gas</b>
Puff	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	CO2
Steady Flow	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	WTR
Surges	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	GAS
Down to nothing	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Type of Fluid
Gas or Oil	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Injected for
Water	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	Y/N <b>N</b>	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 2 in into truck (csg loaded w/ diesel)**

**BHT for AGI m/T**

**left 340 psi on prod. csg.**

Signature: <b>[Signature]</b>		OIL CONSERVATION DIVISION	
Printed name: <b>Jaylen Fuentes</b>		Entered into RBDMS	
Title: <b>Environmental Air Technician</b>		Re-test	
E-mail Address: <b>jaufuentes@lucid-energy.com</b>			
Date: <b>3-8-22</b>	Phone: <b>575-915-2201</b>		
Witness: <b>[Signature]</b>			

INSTRUCTIONS ON BACK OF THIS FORM

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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Phone:(505) 476-3470 Fax:(505) 476-3462

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**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