Submit 1 Copy To Appropriate District State of New Mexico Office HOBBSEOCO District I – (575) 393-6161 HOBBSEOCO Id25 N. French Dr., Hobbs, NM 88240 Minerals and Natural Resources District II – (575) 748-1283 BIT S. First St., Artesia, NM 88210 B11 S. First St., Artesia, NM 88210 DEC 19 2077 CONSERVATION DIVISION District III – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 82410 District IV – (505) 476-3460 District IV – (505) 476-3460 RECEIVED 87505 Santa Fe, NM 87505	Form C-103 Revised July 18, 2013 WELL API NO. 30-025-40448 5. Indicate Type of Lease: SURFACE STATE FEE 6. State Oil & Gas Lease No. NMLC063798
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: Acid Gas Injection	 7. Lease Name or Unit Agreement Name RED HILLS AGI 8. Well Number 1
2. Name of Operator LUCID ENERGY DELAWARE, LLC	9. OGRID Number 372422
3. Address of Operator 3100 MCKINNON STREET, SUITE 800, DALLAS, TX 75201	10. Pool name or Wildcat EXPLORATORY CHERRY CANYON
4. Well Location Unit Letter I: 1600 feet from the South line and 150	
Section 13 Township 24S Range 3 11. Elevation (Show whether DR, RKB, RT, GR, etc. 3580 ft. GL 3580	3E NMPM County LEA

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

NOTICE OF IN	TENTION TO:	SUBSEQUENT	RE	PORT OF:	
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK		ALTERING CASING	G 🗌
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS		P AND A	
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JOB			
DOWNHOLE COMMINGLE					
CLOSED-LOOP SYSTEM					
OTHER:		OTHER: Acid Job Results			\boxtimes

 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.

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 ps The maximum pump rate was 5.05 BPM and the maximum surface pressure was 2126 psi (see attached report from Elite Well Services).

Spud Date:	October 23, 2013	Rig Release Date:	November 20, 2013	
I hereby certif	y that the information above is true a	and complete to the best of	my knowledge and beli	ef.
SIGNATURE	Dal T. Livian	TITLE_CONS	SULTANT TO LUCID	DATE <u>12/19/2017</u>
Type or print	name Dale T Littlejohn	E-mail addres	s: dale@geolex.com I	PHONE:505-842-8000
For State Use	Only		SUBJECT '	FO LIKE
APPROVED	BY: Accepted for R	lecord Only	APPROVA	L BY BL M
Conditions of	Approval (if any):	wn 12	19/2017	

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

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

1.3 Pipe Information

Job Event Log

Time Stage		Rate	Pressure	Comment	Stage Total	Total
10:08	1		2130	Test lines	1997 - 19	
11:24		3.05	462	acid	15.13	
11:30		3.05	354	Water spacer	5.19	
11:32				shutdown		
12:25			2085	Test lines/ backside	.15	
12:35			2184	Test lines/ wellhead	1.07	
12:40		1.63	1252	acid	12.8	
1:10		2.19	955	flush		
1:24			645	shutdown		68.1
1:29			573	5min		
1:34			530	10min		
1:39			493	15min		
2:06			6240	Line test		
2:15		4.96	1920	acid	95.9889	
2:39		4.91	1397	Brine water	23.9892	
2:44		5.03	1920	acid	83.9808	
3:01		4.98	1370	Brine water	23.9892	
3:06		4.99	1960	acid	83.9828	
3:22		5.00	1585	Brine water	17.2392	
3:29		4.99	1987	acid	81.1918	
3:42		4.91	2122	flush		
3:57			911	shutdown		482.7
4:02			783	5min	Total	550.8
4:07			767	10min		
				Avg. rate Avg. pressure		
				4.97 1988		
				Max rate Max pressure		
				5.05 2126		
						-





