

OCD-HOBBS

Form 3160-5
(June 2015)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

HOBBS OCD

FEB 06 2018

Lease Serial No.
NMLC063798

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		6. If Indian, Allottee or Tribe Name
2. Name of Operator LUCID ENERGY DELAWARE, LLC Contact: JARED R SMITH E-Mail: jsmith@geolex.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 3100 MCKINNON STREET SUITE 800 DALLAS, TX 75201	3b. Phone No. (include area code) Ph: 505-842-8000	8. Well Name and No. RED HILLS AGI 1
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		9. API Well No. 30-025-40448
		10. Field and Pool or Exploratory Area EXPLORATORY CHERRY CANYON
		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 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 checked="" 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 recompleate 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 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.

The MIT was conducted on Friday, January 12, 2018 at 10:37 am. George Bower (NMOCD) and Paul Swartz (BLM) were on site to witness and approve the test. Below is a step-by-step summary of the MIT and observed results:

1. The annular space pressure between casing and tubing was 0 psig at the start of the MIT.

2. Placed chart on annular space and began recording annular space pressure.

annular space loaded with
diesel fluid

3. Slowly raised annular pressure by introducing packer fluid (diesel) to the annulus to bring pressure to 600 psig.

4. When annulus pressure reached 600 psig, closed valves to pumping truck, and disconnected the

ACCEPTED FOR RECORD

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #400750 verified by the BLM Well Information System
For LUCID ENERGY DELAWARE, LLC, sent to the Hobbs

Name (Printed/Typed) JARED R SMITH	Title CONSULTANT TO LUCID ENERGY
Signature (Electronic Submission)	Date 01/12/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Paul R Swartz</u> <u>01/18/2017</u>	Title <u>TPET</u>	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 **

MAB/OCD 2/7/2018

Additional data for EC transaction #400750 that would not fit on the form

32. Additional remarks, continued

pipng.

5. Recorded annular space pressure for 35 minutes.

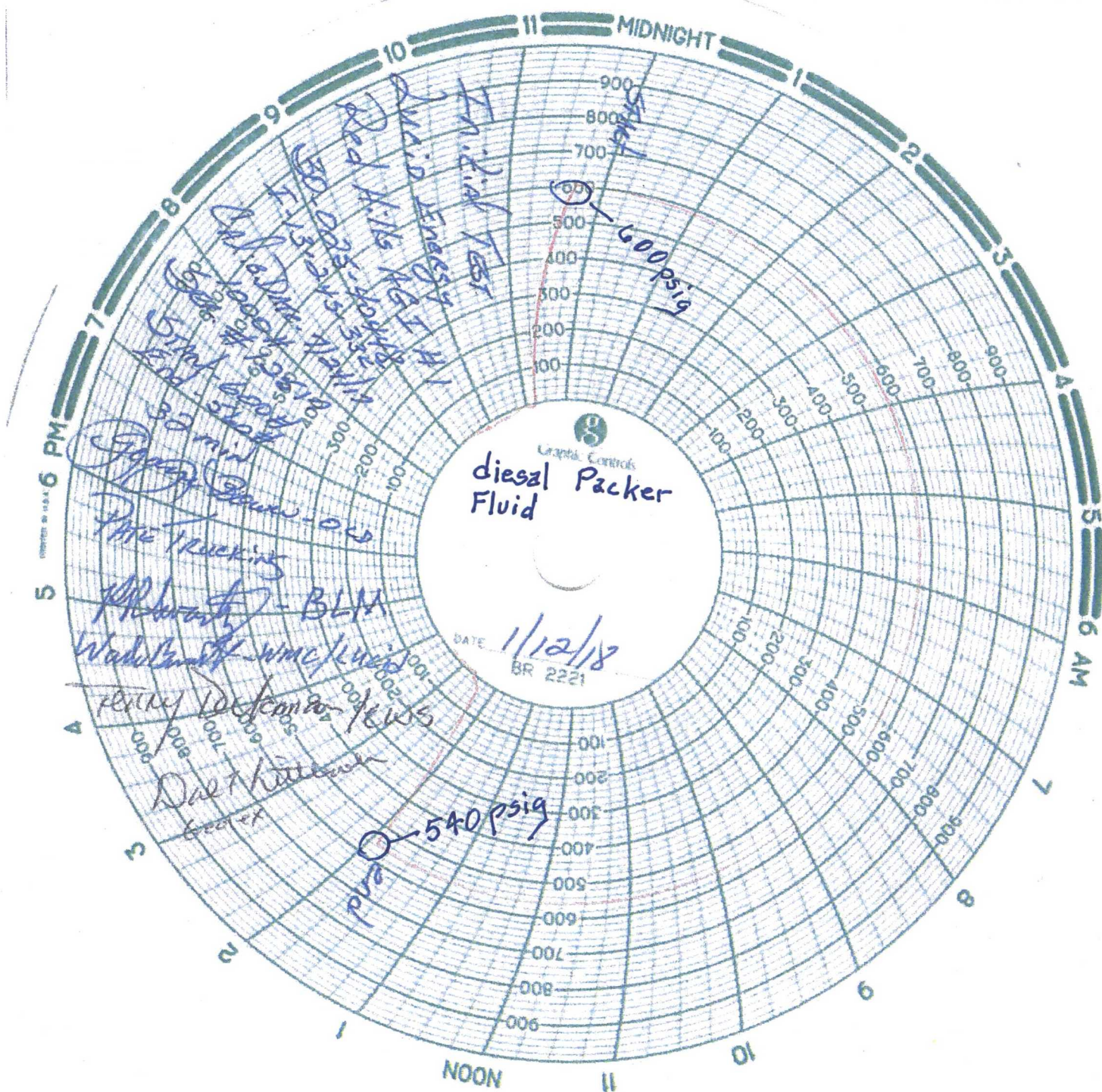
6. After 35 minutes (11:12 am) the annulus pressure was 560 psig, a loss of 40 psig (6.7 percent decrease).

7. The packer fluid was bled from the annulus to reduce observed pressure to 0 psig at which time recording was stopped and the test completed.

8. Restored annular pressure to normal operating pressure (250 psig).

Please see the attached pages for pressure chart and calibration information.

'RECEIVED



American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166 HOBBS,
NM 88240

T0:Pate Trucking

DATE 07/24/17

This is to certify that:

I, RLLarmon Technician for American Valve & Meter Inc. has checked the calibration of the following instrument. These points

8 " _Pressure recorder

Ser#12517

Pressure #			* Pressure #		
Test	Found	Left	Test	Found	Left
- 0	-	- 0	-	-	-
- 500	- S	- 500	-	-	-
- 700	- A	- 700	-	-	-
- 1000	- M	- 1000	-	-	-
- 200	- E	- 200	-	-	-
- 0	-	- 0	-	-	-

Remarks: _____

Signature: RLH

HALLIBURTON

LUCID ENERGY WESTEX LLC

RED HILLS -AGI- 1

Company Rep.

TERRY DICKMAN

LEA/NM

Tool Specialist

JOHNATHAN PHILLIPS

12-Jan-18

Office

Odessa

FINAL INSTALLATION

Installation	Length	Depth	NUM	Description	OD	ID
	4.42	4.42		HANGER+SUB		
	4.10	8.52		3-1/2" 9.2# L80 EUE 8RD PUP JOINT	3.500	
	235.77	244.29	7	3-1/2" 9.2# L80 EUE 8RD TUBING		
	5.95	250.24		3-1/2" 9.2# L80 EUE 8RD SUB	3.530	2.992
	4.38	254.62		SSSV	5.500	2.813
	6.30	260.92		3-1/2" 9.2# L80 EUE 8RD SUB	3.540	2.992
	5,598.01	5,858.93	166	3-1/2" 9.2# L80 EUE 8RD TUBING	3.500	
	302.23	6,161.16	7	CHROME TUBING SUPPLIED BY CUSTOMER		
	1.27	6,162.43		2.750 X-NIPPLE; SN:0003938739	3.930	2.880
	16.03	6,178.46		PN:212S4067-D/102351212		
				BAKER GAUGE		
	1.76			STRAIGHT SLOT LOCATOR/SEAL ASSEMBLY	4.450	2.880
	8.86	6,187.32		7" 26-32# BWD PERMANENT PACKER/212BWD70412-D/101303583	5.875	4.000
				4 3/4 -8UN 2B BOX; SN-C3923562		
	8.45	6,195.77		SEAL BORE EXTENSION; 4" 8 UN B PIN X PIN	5.050	4.000
				PN 212C7674 120051359; SN 0003938755-1		
	0.82	6,196.59		4" 8 UN BOX X 3.5" 9.2# VAM-TOP PIN; SN 0003938734-1	5.660	2.965
				PN 212N100131 101719647		
	8.45	6,205.04		8" TUBING SUB; 3.5" VAM-TOP B X P; 925 INCOLOY	3.520	2.989
	1.33	6,206.37		2.562 'R' NIPPLE; PN 811R25635 102204262	2.920	2.562
				SN 0003938735-1		
	7.95	6,214.32		8" TUBING SUB; 3.5" VAM-TOP B X P; 925 INCOLOY	3.520	2.989
	1.3	6,215.62		2.562 'RN' NIPPLE WITH 2.321 NO-GO; SN 0003938736-1	3.920	2.321
				PN 811RN25642 102204972		
	0.64	6,216.26		RE-ENTRY GUIDE CONVERTED TO A P.O.P.; SN 0003938737-1	3.950	3.000
				PN 812M1182-D 101959861		
			180	TOTAL JOINTS IN WELL		
		6,216.26		END OF TOOL		