

Submit 1 Copy To Appropriate District
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 August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
SEP 16 2013

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.)		WELL API NO. 30-025-00209
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Celero Energy II, LP		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name North Caprock Celero Queen Unit
4. Well Location Unit Letter L : 1980 feet from the S line and 660 feet from the W line Section 32 Township 12S Range 32E NMPM County Lea		8. Well Number 27
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4372'09162013		9. OGRID Number 247128
		10. Pool name or Wildcat Caprock; Queen

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: Sidetrack ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OR REPAIR AND
CASING/CEMENT JOB ☐

Per Underground Injection Control Program Manual
11.6 C Packer shall be set within or less than 100
feet of the uppermost injection perfs or open hole.

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.

1. RU WL & set a CIBP at 2716'. Correlate to BWWC GR/CCL/CBL dated 94/13; collar at 2700'.
2. Make gauge run with mills. Set whipstock, cut window and pilot hole.
3. RIH w/ 6-1/8" bit, motor, float & 10-DC's. Begin time drilling-2' at 1'/hour, increase to 2'/hour for 4-6 ft or until returns are 80-90% formation before adding more weight. Work weight up to full DC weight & slide at least 125'. Start rotating swivel after 125' slide & continue drilling to TD of 3065'. Record drill time for 10' intervals & catch samples every 10'. Note any bit drops.
4. Circ clean at TD & pump at least one, 20-bbl MF-55 sweep. Pull above the window, SD for 2 hrs, then trip to bottom to clean out any fill. Sweep the hole again if there is any fill. Use 10-20# LCM pills mixed in gelled produced wtr in the event we do not have FULL returns.
5. Run csg as follows (all 4-1/2", 11.6#, J-55, LT&C): FS, 1-jt bond coat w/1 centralizer, insert collar, 5 jts bond coat, bottom 3 js centralized, 8 jts, uncoated, DV tool, centralize 2 js above & below remainder of pipe. Cmt first stage w/ 100 sx CI C mixed at 14.8 ppg. Bump plug to 500 psi over, open DV, circ 3-4 hrs (note any cmt returns at surf). Mix & pump second stage volume of 150 sx.
6. Drill out DV tool & test. Continue cleaning out to top of FJ.
7. Run GR/CCL/CNL & perf. Run pkr & acidize w/1000 gals inh. 7-1/2% NEFE HCL. **Condition of Approval: notify**
8. Run inj pkr, circ inh. FW pkr fluid, perform MIT & put well on injection R-13673 & R13674.

Spud Date:

The Oil Conservation Division

Rig Release Date:

OCD Hobbs office 24 hours

prior of running MIT Test & Chart

MUST BE NOTIFIED 24 Hours

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Prior to the beginning of operations

SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 09/16/2013

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY [Signature] TITLE Dist. Mgr DATE 9-16-2013

Conditions of Approval (if any):

SEP 17 2013