

Office

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

Energy, Minerals and Natural Resources

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBSOCD

WELL API NO.

30-025-05217

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
TD Pope 36

8. Well Number

9

9. OGRID Number

247128

10. Pool name or Wildcat

Denton, Devonian

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 ☒2. Name of Operator
CELERO ENERGY II, LP3. Address of Operator
400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location

Unit Letter C : 660 feet from the North line and 1650 feet from the West line
Section 36 Township 14S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3804' GR

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/21/08 - 1/14/09

RU to repair sub-pump. Run spiral mill to 12265' and ran CIL/CBL-found FL at 10650'. Set RBP at 11500', and run CBL to 5500'. Found hole in casing at 5901'. Ran packer and stuck tools at 11500'. Cut tubing at 11473' and fish 12 days. Set composite BP at 8000', circulate 7"-by-9-5/8" annulus, and squeeze 5901' with 135 sx Class C neat to 1200 psi. Drld out squeeze, set packer at 5625' and swab down. ON FE to 5500' from 5625'--OK. Drld out composite; clean out with bit/bailer to 12640' (could not work 5.8"-by-6' WOS through 5900'; changed to 5.5"-by-42" WOS and went through without problem). Acidized with 7500 gals 15% using 7000 lbs RS in 3 stages---12 BPM, ISIP-vac. Ran 2 BHP = 1770 psi. Run sub-pump w/intake at 11643'. Returned well to production.

Spud Date:

Rig Release Date:

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

SIGNATURE

Lisa Hunt

TITLE Regulatory Analyst

DATE 01/23/2009

Type or print name Lisa Hunt

E-mail address: LHunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

JAN 28 2009

Conditions of Approval (if any):

CELERO ENERGY

FIELD: Denton
LEASE/UNIT: T. D. Pope "36"
COUNTY: Lea

DATE: Sep. 24, 2008
BY: JEA
WELL: 9
STATE: New Mexico

Location: 660' FNL & 1650' FWL, Sec 36, T14S, R37ECM
SPUD: 04/54 COMP: 05/54
CURRENT STATUS: Producer
Original Well Name: T. D. Pope #9 (Sinclair Oil & Gas Co.)

KB =
GL = 3,804'
API = 30-025-05217

13 3/8" @ 322'
cmt'd. w/ 350 sx

9-5/8" @ 4773'
cmt'd. w/ 2314 sx

Squeeze cemented 7" casing leak from 5500' - 5533' w/ 150 sx cmt. (10-06)

Squeeze cemented 7" casing leak from 7646' - 7648' w/ 100 sx cmt. (10-06)

NOT
COLLECT

2-7/8" 7.9#/6.5# L-80 production tubing
w/ sub pump @ 11,511'

REPORTED 7960' (TS)

TOC @ ± 6760; QUALITY BELOW TO 8800' IS DOUBTFUL.
QUESTIONABLE BELOW 9900'. LOOKS LIKE PRIMARY
TOB OVERDISPLACED OR FALLBACK ON VACUUM.

5900' SUSPECTED
CASING PART
- CEMENT
CIRCULATED
ON 7" x 9-5/8"
ANNULUS TO
± 7800'
(11/08)

12150' POSSIBLE
CASING PART

Top of Devonian @ 12,254':

Devonian "A": 12,318', 12,320', 12,323', 12,326', and 12,328' (08-75)

Devonian "A": 12,259', 12,261', 12,265', 12,287', 12,289', 12,291', 12,295',
12,345', 12,351', 12,356', 12,358', 12,361', and 12,363' (12-74)

Devonian "B": 12,398' - 12,406', 12,415' - 12,420', 12,428' - 12,439',
12,443' - 12,448', and 12,455' - 12,460' (03-63)

Devonian "B": 12,514' - 12,600' (384 shots) (05-54) (Sqz cmt'd 03-63)

7" @ 12,643'

cmt'd w/ 750 sx.

Devonian "B" & "C": 12,485' - 12,489', 12,512' - 12,536', 12,540' - 12,553',
12,558' - 12,598', and 12,610' - 12,620' (2 SPF) (09-06)

PBTD - 12,635'
TD - 12,644'

11/08 CIL - CONTRADICTS REPORTED WEIGHT CHANGES IN 7" CASING.