

Submit 1 Copy To Appropriate District  
 Office  
 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

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 October 13, 2009

**RECEIVED**  
 CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505  
 NOV 16 2010  
**HOBSOCD**

WELL API NO. 30-005-00924 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name DRICKEY QUEEN SAND UNIT ✓
8. Well Number 4 ✓
9. OGRID Number 247128 ✓
10. Pool name or Wildcat Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4412' GR

**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 Injector

2. Name of Operator  
Celero Energy II, LP

3. Address of Operator 400 W. Illinois, Ste. 1601  
Midland, TX 79701

4. Well Location  
 Unit Letter G : 1980' feet from the NORTH line and 1980' feet from the EAST line  
 Section 35 Township 13S Range 31E NMPM County CHAVES

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <u>Converted to injector</u> <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.

11/2/10 - Remove surface pumping equipment. TOH w/ 1" rods & rotor. LD rods. NDWH & NUBOP. Used spear to raise tbg & release TAC. TOH w/ 2 7/8" OD tbg w/ stator, TAC, perf nipple, etc. TIH w/ 2 7/8" w/ 5 1/2" csg scraper & 4 3/4" bit. Ran to 3,035'. Raise bit to 3,023'.

11/3/10 - Ran 4.65 OD gauge ring to 3,035'. TOH. Ran & set 5 1/2", 10K, composite bridge plug @ 3,030'. TIH w/ tbg & 5 1/2" AD-1 type pkr. Ran to 2,975', test tbg, pkr & bridge plug to 750# & held okay. Raise pkr up hole to test 5 1/2" csg for leaks. Found csg leak from 0' to 32', leaking 150# in 20 seconds from 500# to 350#. Csg tested okay w/ 400# pressure from 32' to 3,030'. Pulled pkr out of hole.

11/4/10 - Ran 4" weld on float shoe, 1 jt of 4", 10.5#, L-80. ST&C csg w/ turned down collar, 1- 4" float collar & 70 jts of 4", 10.5#, L-80, ST&C csg w/ turned down collars (3,038' of csg). Tag composite bridge plug @ 3,030' & pick-up end of csg 1'. Set slips & weld on bell nipple for WH & installed valve on csg. CWI. Circ down 4" csg out 4" x 5 1/2" annulus w/ 75 BFW.

\* Continued on attached sheet

Spud Date:

Rig Release Date:

*WFY-868*

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 11/15/2010

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

**For State Use Only**  
 APPROVED BY: [Signature] TITLE STAFF MGR DATE 11-23-10  
 Conditions of Approval (if any):

**Drickey Queen Sand Unit #4 C-103 continued**

**11/5/10** - Pump 15 BFW to circ hole @ 2 bpm & 300#. Pump 80 sx of Basic Lite cmt w/ 2% CaC12 followed w/ 30 sx of Class "C" cmt w/ 2% CaC12. Displace w/ 34 BFW to float collar @ 750#, 0.8 bpm & bumped plug to 1,000#. Release pressure to check float collar, held okay. Cmt did not circ. The differential circulating pressure just before plug bumped indicates cmt is near the surface between the 4" csg & 5 1/2" csg annulus. WOC.

**11/8/10** - NUWH & NU 3K BOP. Pick up 3 1/4" OD bit & ran on 2 3/8" OD tbg. Tag cmt @ 2,950'. RU swivel. Drill cmt from 2,950' to 2,980'. Start drlg float collar, made less than 1'. TOH w/ bit. Found bearing on bit loose. TIH w/ tbg & 3 3/8" Hurricane mill. Tag @ 2,981'. D/O float collar & drl 4' of cmt to 2,985'. Circ hole clean. Raise mill to 2,956'. CWI.

**11/9/10** - Lower hurricane mill to 2,985'. D/O cmt to float shoe @ 3,029'. D/O float shoe, lower & D/O composite bridge plug @ 3,030'. Lower & clean out to 3,077'. TOH w/ tbg & mill. Mill worn out. All of the inserts on btm of mill were missing. TIH w/ tbg & 3 3/8" tricone bit. Ran to float collar area @ 2,981' & ream out float collar. TOH, LD 2 3/8" OD tbg work string w/ bit & CWI.

**11/10/10** - TIH w/ 93 jts of 2 3/8" OD, IPC tbg w/ "turned down collars" w/ 4" plastic coated Model AD-1 shorty tension pkr w/ pkr swinging @ 3003', displaced 2 3/8" x 4" annulus w/ pkr fluid. Set pkr w/ 15 pts of tension (30K shear on pkr) @ 3,003'. Ran OCD required integrity test for 31 minutes, pressure from 540# to 570#. Test is good. Test witnessed & approved by Maxey Brown w/ the OCD. Original chart is attached. Connect well for injection. Clean location & RDMO. Well is now an injection well on Administrative Order WFX-868.

RECEIVED

NOV 16 2010

HOBBSOLL

CELERO ENERGY  
DRICKEN/QUEEN #4  
G 35-135 31E  
30-005-00924

INITIAL TEST

START 540#

FINAL 570#

TIME 31 M.A

Maryjane Brown  
OCA

FILE

GRAPHIC CONTROLS CORPORATION  
BUFFALO, NEW YORK

11/10/2010

BR 2221

CELERO  
1000#/60m/a  
7/7/2010

NOON

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6 A.M.

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