

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF CELERO ENERGY II, LP
TO AMEND THE UNIT AGREEMENT AND THE
UNIT OPERATING AGREEMENT FOR THE
ROCK QUEEN UNIT, AND FOR STATUTORY
UNITIZATION, CHAVES AND LEA COUNTIES,
NEW MEXICO.

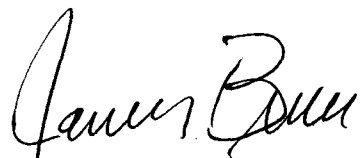
Case No. 14,504

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce, being duly sworn upon his oath, deposes and states:


1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Celero Energy II, LP.
3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the record title owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.



James Bruce

SUBSCRIBED AND SWORN TO before me this 18th day of August, 2010 by James Bruce.

My Commission Expires: 3/14/13


Notary Public

Oil Conservation Division
Case No. 12
Exhibit No. 12

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

June 17, 2010

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

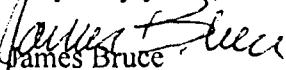
Enclosed is a copy of an application for amendment of the Unit Agreement for the Rock Queen Unit, and for statutory unitization, filed with the New Mexico Oil Conservation Division by Celero Energy II, LP.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, July 8, 2010, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as a record title interest owner within the unit area you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

Please note that you are being notified only as a record title owner of a state or federal lease within the unit. You own no working interest or overriding royalty interest, so you have no revenue interest affected by this application. The Bureau of Land Management and State Land Office require joinder of record title owners in a unit. As a result, applicant requests that you execute and return to the undersigned the enclosed ratification form.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, July 1, 2010. This statement must be filed with the Division's Santa Fe office at the above address, and with the undersigned, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing.

Very truly yours,


James Bruce

Attorney for Celero Energy II, LP

EXHIBIT A

EXHIBIT A

Mobil Producing Texas & New Mexico, Inc.
P.O. Box 2305
Houston, Texas 77210

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710

Davoil, Inc.
P.O. Box 12507
Fort Worth, Texas 76116

Great Western Drilling
P.O. Box 1659
Midland, Texas 79702

F. Karsten
c/o Manforth Production, Inc.
P.O. Box 508
Locust Valley, New York 11560

Geror Oil Corporation
P.O. Box 5947
Tucson, Arizona 85703

Anadarko Petroleum Corporation
1200 Timberloch Place
Spring, Texas 77380

Kerr-McGee Oil & Gas Onshore, LP
Suite 300
5735 Pineland Drive
Dallas, Texas 75231

Pomeroy Smith and
Odin Industries, Inc.
Suite 19A
3510 Turtle Creek Boulevard
Dallas, Texas 75219

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

7006 0500 0001 4594 1233

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) James Felder C. Date of Delivery 06-22-10
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

**U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	\$2.41	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$7.51	

Sent To

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710

PS Form 3800, August 2006

See Reverse for Instructions

**U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	\$7.51	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total P.		\$7.51	

Sent To

Mobil Producing Texas & New Mexico, Inc.
P.O. Box 2305
Houston, Texas 77210

PS Form 3800, August 2006

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mobil Producing Texas & New Mexico, Inc.
P.O. Box 2305
Houston, Texas 77210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) James Felder C. Date of Delivery 06-22-2010
- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

7006 0500 0001 4594 1158

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

2. Article Number

(Transfer from service label)

7008 0500 0001 4594 1240

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com.

IMPORTANT! SPECIAL USE

Postage	\$	\$2.41	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$7.51	06/17/2010

Sent To: **Chevron U.S.A. Inc.**
15 Smith Road
Midland, Texas 79705

See Reverse for Instructions

PS Form 3800, August 2005

5977 6654 1000 0050 8002

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
B. Received by (Printed Name) John Smith
C. Date of Delivery 06/17/10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
4. Restricted Delivery? (Extra Fee) ☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pomeroy Smith and
Odin Industries, Inc.
Suite 19A
3510 Turtle Creek Boulevard
Dallas, Texas 75219

2. Article Number

(Transfer from service label)

7008 0500 0001 4594 1165

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
B. Received by (Printed Name) John Smith
C. Date of Delivery 06/17/10
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
4. Restricted Delivery? (Extra Fee) ☐ Yes

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com.

IMPORTANT! SPECIAL USE

Postage	\$	\$2.41	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	

Sent To: **Pomeroy Smith and
Odin Industries, Inc.**
Suite 19A
3510 Turtle Creek Boulevard
Dallas, Texas 75219

PS Form 3800, August 2005

See Reverse for Instructions

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

LOCUST VALLEY **USE**

Postage	\$	\$2.41	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees		\$7.51	06/17/2010

Sent to P.O. Box 1659 Midland, Texas 79702

Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2005 See Reverse for Instructions

6727 4654 7000 0050 8002

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

F. Karsten
c/o Manforth Production, Inc.
P.O. Box 508
Locust Valley, New York 11560

2. Article Number
 (Transfer from service label) **7008 0500 0001 4594 1202**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature F. Karsten ☒ Agent ☐ Addressee

B. Received by (Printed Name) F. Karsten C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Return Receipt for Merchandise ☐ Registered ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

LOCUST VALLEY **USE**

Postage	\$	\$2.41	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$7.51	06/17/2010

Sent to F. Karsten c/o Manforth Production, Inc.

Street, Apt. No.,
or PO Box No. P.O. Box 508

City, State, ZIP+4 Locust Valley, New York 11560

PS Form 3800, August 2005 See Reverse for Instructions

2021 4654 7000 0050 8002

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Great Western Drilling
P.O. Box 1659
Midland, Texas 79702

2. Article Number
 (Transfer from service label) **7008 0500 0001 4594 1219**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature [Signature] ☒ Agent ☐ Addressee

B. Received by (Printed Name) [Signature] C. Date of Delivery 06/17/2010

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Return Receipt for Merchandise ☐ Registered ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Anadarko Petroleum Corporation
1200 Timberloch Place
Spring, Texas 77380

COMPLETE THIS SECTION ON DELIVERY

A. Signature: [Signature] ☐ Agent ☐ Addressee

B. Received by: (Printed Name) [Signature] Date of Delivery 6-13-10

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number 7008 0500 0001 4594 1301

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided.)

For delivery information visit our website at www.usps.com

SPRING 77380 TEXAS

Postage	\$	\$4.90	0500
Certified Fee		\$2.80	03
Return Receipt Fee (Endorsement Required)		\$2.30	
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$10.00	06/18/2010

Sent To

Street, Apt. No., Anadarko Petroleum Corporation
or PO Box No. 1200 Timberloch Place
City, State, Zip+4 Spring, Texas 77380

PS Form 3800, August 2006 See Reverse for Instructions

TOET h65h T000 0050 8002



7008 0500 0001 4594 1172

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

	Postage	\$	0500
Certified Fee		\$2.41	03
Return Receipt Fee (Endorsement Required)		\$2.80	
Restricted Delivery Fee (Endorsement Required)		\$2.30	
		\$0.00	

ILLASX75231
OPTICAL USE

Total Postage & Fees: \$7.51
Kerr-McGee Oil & Gas Onshore, LP

Sent To: Suite 300
Street, Apt. No., or PO Box No.: 5735 Pineland Drive
City, State, Zip+4: Dallas, Texas 75231

See Reverse for Instructions

PS Form 3800, August 2006

U.S. POSTAGE
PAID
SANTA FE, NM
87501
JUN 17 10
AMOUNT

\$7.51

00028468-03



1000

75231

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504

Kerr-McGee Oil & Gas Onshore, LP
Suite 300
5735 Pineland Drive
Dallas, Texas 75231

THIS SECTION

1. Article Addressed to:
Kerr-McGee Oil & Gas Onshore, LP
Suite 300
5735 Pineland Drive
Dallas, Texas 75231

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 17? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type: ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number: 7008 0500 0001 4594 1172
(Transfer from service label)

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruce@aol.com

July 15, 2010

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

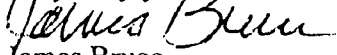
Enclosed is a copy of an application for amendment of the Unit Agreement for the Rock Queen Unit, and for statutory unitization, filed with the New Mexico Oil Conservation Division by Celero Energy II, LP.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, August 5, 2010, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as a record title interest owner within the unit area you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

Please note that you are being notified only as a record title owner of a state or federal lease within the unit. You own no working interest or overriding royalty interest, so you have no revenue interest affected by this application. The Bureau of Land Management and State Land Office require joinder of record title owners in a unit. As a result, applicant requests that you execute and return to the undersigned the enclosed ratification form.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, July 29, 2010. This statement must be filed with the Division's Santa Fe office at the above address, and with the undersigned, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved.

Very truly yours,


James Bruce

Attorney for Celero Energy II, LP

EXHIBIT A

Davoil, Inc.
P.O. Box 122269
Fort Worth, Texas 76121

Kerr-McGee Oil & Gas Onshore, LP
c/o Kerr-McGee Oil & Gas Onshore, LLC
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73012

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Davol, Inc.
P.O. Box 122269
Fort Worth, Texas 76121

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
 4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

7007 3020 0001 2489 4391

PS Form 3811, February 2004

Domestic Return Receipt

Colore-RT

102595-02-M-1540

(Transfer from service label)

U.S. Postal ServiceTM CERTIFIED MAILTM RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

FOR WORTH TX 76121

Postage	\$	\$2.58
Certified Fee		\$2.80
Return Receipt Fee (Endorsement Required)		\$2.30
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.68

Sent To

Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

Davol, Inc.
P.O. Box 122269
Fort Worth, Texas 76121

PS Form 3800, August 2005

See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
 B. Received by (Printed Name) C. Date of Delivery
 D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

7-20-10

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kerr-McGee Oil & Gas Onshore, LP
c/o Kerr-McGee Oil & Gas Onshore, LP
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73012

2. Article Number

7007 3020 0001 2489 4407

PS Form 3811, February 2004

Domestic Return Receipt

Colore-RT

102595-02-M-1540

(Transfer from service label)

U.S. Postal ServiceTM CERTIFIED MAILTM RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

FOR WORTH TX 76121

Postage	\$	\$2.58
Certified Fee		\$2.80
Return Receipt Fee (Endorsement Required)		\$2.30
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$7.68

Sent To

Kerr-McGee Oil & Gas Onshore, LP
c/o Kerr-McGee Oil & Gas Onshore, LLC
123 Robert S. Kerr Avenue
Oklahoma City, Oklahoma 73012

PS Form 3800, August 2005

See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
 B. Received by (Printed Name) C. Date of Delivery
 D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
 4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

7007 3020 0001 2489 4407

PS Form 3811, February 2004

Domestic Return Receipt

Colore-RT

102595-02-M-1540

(Transfer from service label)