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Case 14505

April 27, 2010

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Celero Energy II, L.P., are an application for waterflood expansion, etc., together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the May 27, 2010 Examiner hearing. Thank you. The parties being notified are listed on Exhibit A.

Very truly yours,



James Bruce

Attorney for Celero Energy II, L.P.

PROPOSED ADVERTISEMENT

Case No. 14505

Application of Celero Energy II, LP to expand the waterflood project and institute a tertiary recovery project for the Rock Queen Unit, and to qualify the project for the recovered oil tax rate, Chaves and Lea Counties, New Mexico. Applicant seeks approval to expand the waterflood project, and for a tertiary recovery project, in the Rock Queen Unit by the injection of water and carbon dioxide into the Queen formation in approximately 42 wells located on 4939.77 acres of federal, state, and fee lands covering all or parts of Sections 22-27 and 34-36 of Township 13 South, Range 31 East, N.M.P.M., and Sections 19, 30, and 31 of Township 13 South, Range 32 East, N.M.P.M. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). The unit area is centered approximately 17 miles south-southwest of Caprock, New Mexico.

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Tract Number	Operator	Address	Township	Range	Section	Description	Lease Number
1	Marilyn Maxwell Chandler	P.O. Box 830308 Dallas, Texas 75283	13S	31E	13	SE/4SE/4	V-7690
2	Chevron USA Inc.	P.O. Box 1635 Houston, Texas 77251	13S	31E	13	SE/4SW/4 SW/4SE/4	B-8459
3	Chevron USA Inc.	P.O. Box 1635 Houston, Texas 77251	13S	31E	13	SW/4SW/4	E-5758
4	Chevron USA Inc.	P.O. Box 1635 Houston, Texas 77251	13S	31E	14	NE/4SE/4	E-7659
5	Pomeroy Smith Craig, LTD. (Odin Industries, Inc to Chartiers)	3510 Turtle Creek Blvd., Suite 19A Dallas, Texas 75219-5546 500 West Texas, Suite 1290 Midland, Texas 79701	13S	31E	14	NW4SE/4	B-8318-113
6	Pomeroy Smith Craig, LTD. (Odin Industries, Inc to Chartiers)	3510 Turtle Creek Blvd., Suite 19A Dallas, Texas 75219-5546 500 West Texas, Suite 1290 Midland, Texas 79701	13S	31E	14	SE/4SE/4	B-10418-80
7	Marshall & Winston Inc.	P.O. Box 50880 Midland, Texas 79710	13S	31E	14	SW/4SE/4	E0-4191-0001
8	F Karsten & Manforth Prod Inc	P.O. Box 508 Locust Valley, New York 11560	13S	31E	14	E/2SW/4	B-399-35
9	Celero Energy II, LP Yates Petroleum Corp. - 40%; Yates Drilling Co. -20%; ABO Petroleum Corp. - 20%; Myco Industries Inc. - 20%	400 West Illinois, Suite 1601 Midland, Texas 79701	13S	31E	14	W/2SW/4	VB-1267
10		105 S. 4th Street Artesia, New Mexico 88210	13S	31E	15	All	NM-096230
11	Marshall & Winston Inc.	P.O. Box 50880 Midland, Texas 79710	13S	31E	21	NE/4	NM-080219
12	Frostman Oil Corp. (Operating Rights - Surface to 2,900' on oil only)	P.O. Drawer W Artesia, New Mexico 88210					
	Davoll Inc. - 35.524%	Box 12507 Fort Worth, Texas 76116	13S	31E	21	SE/4	NM-080220
	Great Western Drilling Co. - 64.476%	Box 1659 Midland, Texas 79701					
13	Chevron USA Inc.	P.O. Box 1635 Houston, Texas 77251	13S	31E	22	W/2NW/4	E-7659
14	Chevron USA Inc.	P.O. Box 1635 Houston, Texas 77251	13S	31E	22	NE/4NW/4	E-5663
15	Great Western Drilling Ltd.	Box 1659 Midland, Texas 79702	13S	31E	22	SE/4NW/4	B-10420-154

Tract Number	Operator	Address	Township	Range	Section	Description	Lease Number
16	State Of New Mexico Commissioner of Public Lands	Santa Fe, New Mexico 87504 P.O. Box 1148	13S	31E	22	SW/4SW/4	Open State Land
17	Chevron USA Inc.	Houston, Texas 77251 P.O. Box 1635	13S	31E	23	NE/4NE/4	B-8459
18	Chevron USA Inc. (Record Title)	Houston, Texas 77251 P.O. Box 1635	13S	31E	24	NW/4NW/4	EO-5663
19	R. D. Collier (Operating Rights)	Route 1, P.O. Box 265 Artesia, New Mexico 88211-0265					
20	Chevron USA Inc. (Record Title)	Houston, Texas 77251 P.O. Box 1635	13S	31E	24	SW/4NW/4	EO-5663
21	R. D. Collier (Operating Rights)	Route 1, P.O. Box 265 Artesia, New Mexico 88211-0265					
22	Chevron USA Inc. (Record Title)	Houston, Texas 77251 P.O. Box 2475	13S	31E	24	SE/4NW/4	EO-5663
23	Daniel E. Gonzales	Santa Fe, New Mexico 87504-2475	13S	31E	24	NE/4NW/4, NE/4	VB-1303
24	Samson Resources Company	Two West Second Street Tulsa, Oklahoma 74103					
25	Celero Energy II, LP	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102					
26	Chevron USA Inc. (Record Title)	Houston, Texas 77251 P.O. Box 1635	13S	31E	24	NE/4SE/4	EO-5663
27	Pomeroy Smith (Operating Rights) Craig, LTD. (Odin Industries, Inc to Chartiers)	3510 Turtle Creek Blvd., Suite 19A Dallas, Texas 75219-5546 500 West Texas, Suite 1290 Midland, Texas 79701					
28	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	27	SE/4SW/4	NM-080128
29	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	27	SW/4SW/4	NM-080128
30	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	27	NE/4SW/4	NM-080128
31	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	27	NW/4SW/4	NM-080128
32	Chevron U.S.A. Inc.	Houston, Texas 77251 P.O. Box 1635	13S	31E	27	W/2 NW/4	NM-080218
33	Yates Drilling Co. -33.34%; ABO Petroleum Corp. - 33.33%; Myco Industries Inc. - 33.33%	105 S. 4th Street Artesia, New Mexico 88210	13S	31E	28	NE/4	NM-113411

Tract Number	Operator	Address	Township	Range	Section	Description	Lease Number
29	The Blanco Co.	P.O. Box 25968 Albuquerque, New Mexico 87125	13S	31E	28	SE/4	NM-117556
30	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	33	NW/4NE/4	NM-080128
31	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	33	E/2NE/4, SW/4NE/4	NM-2419
32	OXY USA WTP LP	6 Desta Dr., Ste. 6000 Midland, Texas 79705	13S	31E	33	SE/4	NM-3927
33	Bureau of Land Management (Record Title) Celero Energy II, LP (Operating Title)	2909 W. 2nd Street Roswell, New Mexico 88201 301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102	13S	31E	34	N/2NW/4	NMNM-070935X
34	OXY USA WTP LP	6 Desta Dr. #6000 Midland, Texas 79705	13S	31E	34	SW/4	NM-03927
35	Celero Energy II, LP	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102	13S	31E	34	SE/4	NMNM-120355
36	Kerr-McGee O/G Onshore, LP	5735 Pineland Dr., Suite 300 Dallas, Texas 75231	13S	31E	35	NE/4, S/2NW/4	E0-5988-5
37	Celero Energy II, LP	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102	13S	31E	35	NW/4SW/4	B0-8822-22
38	OXY USA WTP LP	P.O. Box 4294 Houston, Texas 77210	13S	31E	35	NW/4SE/4, NE/4SW/4	E0-6401-6
39	Margaret M Hodges & Paul Slayton	PO Box 2035 Roswell, NM 88201	13S	31E	35	SW/4SW/4	E0-2635-5
40	Anadarko Petroleum Corporation	PO Box 2497 Midland, Texas 79702	13S	31E	35	SE/4SW/4	E0-0521-11
41	Celero Energy II, LP	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102	13S	31E	35	S/2SE/4, NE/4SE/4	B0-8822-22
42	Samson Resources Company	Two West Second Street Tulsa, Oklahoma 74103					
42-A	Yates Petroleum Corporation	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102					
43	Pomeroy Smith Craig, LTD. (Odin Industries, Inc to Chartiers)	105 S. 4th Street Artesia, NM 88210 3510 Turtle Creek Blvd., Suite 19A Dallas, Texas 75219-5546 500 West Texas, Suite 1290 Midland, Texas 79701	13S	32E	18	S/2	VO-7682
44	Samson Resources Company	Two West Second Street Tulsa, Oklahoma 74103	13S	32E	19	NW/4NW/4	EO-4192-3

Tract Number	Operator	Address	Township	Range	Section	Description	Lease Number
	Celero Energy II, LP	301 Commerce Street, Ste. 2100 Fort Worth, Texas 76102					
45	Mobil Producing Texas & New Mexico Inc.	P.O. Box 2305 Houston, Texas 77201-2305	13S	32E	19	NW/4SW/4	E-8149-1
46	Mobil Producing Texas & New Mexico Inc.	P.O. Box 2305 Houston, Texas 77201-2305	13S	32E	19	N/2NE/4, SE/4NE/4	E-8063-2
47	Yates Petroleum Corporation	105 S. 4th Street Artesia, NM 88210	13S	32E	20	W/2NW/4	VO-1876
48	Yates Petroleum Corporation	105 S. 4th Street Artesia, New Mexico 88210	13S	32E	20	E/2 NW/4	VO-1876
49	State Of New Mexico Commissioner of Public Lands	P.O. Box 1148 Santa Fe, New Mexico 87504	13S	32E	20	NE/4SW/4	Open State Land
50	Yates Petroleum Corporation	105 S. 4th Street Artesia, New Mexico 88210	13S	32E	20	NW/4SW/4, S/2SW/4	VO-1876
51	Petro-Guard Company, Inc.	Attn: Land Dept. 2450 Fondren, Suite 105 Houston, Texas 77063	13S	32E	29	NW/4	K0-3356-4
52	Petro-Guard Company, Inc.	Attn: Land Dept. 2450 Fondren, Suite 105 Houston, Texas 77063	13S	32E	29	SW/4	K0-3356-4
53	Mobil Producing Texas & New Mexico Inc.	P.O. Box 2305 Houston, Texas 77201-2305	13S	32E	30	SE/4SE/4	E0-7494-1
54	State Of New Mexico Commissioner of Public Lands	P.O. Box 1148 Santa Fe, New Mexico 87504	13S	32E	31	NE/4	Open State Land
55	Yates Petroleum Corporation	105 S. 4th Street Artesia, New Mexico 88210	13S	32E	31	E/2 NW/4	VB-0696
56	Great Western Drilling Company	P.O. Box 1659 Midland, Texas 79702	13S	32E	31	SW/4NW/4	E0-9217-1
57	Yates Petroleum Corporation	105 S. 4th Street Artesia, New Mexico 88210	13S	32E	31	S/2	VB-0696-0
58	Atofina Petrochemical, Inc. & Mobil Producing Texas & New Mexico Inc.	P.O. Box 2159 Dallas, Texas 75221	13S	32E	32	N/2NW/4	E0-8005-6
59	ABO Petroleum Corp. - 32% Myco Industries Inc. - 32% Yates Drilling Co. - 32% Yates Petroleum Corp. - 4%	105 S. 4th Street Artesia, New Mexico 88210	14S	31E	1	NE/4	NM-105881
60	Conoco Phillips Co.	P.O. Box 7500 Bartlesville, Oklahoma 74005	14S	31E	1	SE/4NW/4	NM-080124
61	ConocoPhillips Co.	P.O. Box 7500 Bartlesville, Oklahoma 74005	14S	31E	1	N/2NW/4, SW/4NW/4	NMLC-70336
62	James S Lebsack	PO Box 22215 Denver, Colorado 80222	14S	31E	2	NE/4NE/4	E0-5665-1

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