

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

HOBBS OCD

APR 17 2013

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-005-00926 ✓
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	5 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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 Injection ☒

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 H : 1980 feet from the N line and 660 feet from the E line
Section 35 Township 13S Range 31E NMPM County Chaves

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 ☐
CORROSION PREVENTION ☐ 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. Blow well down, release pkr, circ w/ produced wtr & POOH w/ inj string. PU 2-3/8" workstring & make a bit run to TD. Run a CIL from 3030' to surface.
2. Coordinate with plugging company. RIH w/O-E workstring & spot 50 sx Class C w/2% CaCl2 at TD. POOH to 2000' & reverse clean. WOC a min of 4 hrs & tag TOC. Spot again as necessary-required TOC will be determined from CIL.
3. RIH w/ bit & dress off TOC. POOH & RBIH w/ treating pkr & test csg. Locate & EIR into leak(s) using produced wtr. Depending on the number of leaks & injection rate, the decision will be made to squeeze them w/ cmt or pump gel then return a later date & squeeze. Final stage will be a cmt squeeze.
4. After squeezing leak(s), TOOH w/ pkr, PU bit & DC's & drill out to TD of 3075'.
5. PU a min of 500' 4", 11#, L-80, UFJ pipe on Duplex shoe. Bottom 300' of pipe should have Bond Coat. Have Bond Coat repair kit(s) on location. Use Seal Lube on the connections.
6. Cmt liner w/ a min of 100 sx Class C leaving 5' of cmt on Duplex shoe. POOH w/ out reversing TOL. WOC a min of 4 hrs, RIH w/bit & DC's & tag TOC. Pressure test to 500 psi. Run pkr & squeeze TOL, if necessary.
7. Clean out liner to within 2' of Duplex shoe. POOH. *Continued on attached sheet

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 04/15/2013

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 4-23-2013

Conditions of Approval: The Operator shall give the OCD District office 24 hours notice before work begins

CONDITION OF APPROVAL: Notify OCD Hobbs Office 24 hours prior to running MIT Test & Chart.

APR 23 2013

Drickey Queen Sand Unit #5 – C103 continued

8. RU WL & run a GR/CCL tie-in log from TD to 100' above TOL. Correlate to Apollo GR/CCL/CNL dated 3/24/08. Perfs will be picked from log. Have a 15' gun on location loaded at 4SPF, 0-degree phasing.
9. RIH w/treating pkr on workstring & acidize w/ 1500 gals inhibited 7-1/2% NEFE HCL at max rate w/ out exceeding 3500 psi. Displace w/ FW & overflush w/ a min of 35 bbls FW.
10. Run inj pkr & inj tbg. Space out, land tbg, ND BOPE & NU WH. Run MIT & place well on injection.