

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised August 1, 2011

WELL API NO. 30-005-00827
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 Rock Queen Unit
8. Well Number 16
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input checked="" type="checkbox"/>
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 F : 1980 feet from the N line and 1980 feet from the W line Section 23 Township 13S Range 31E NMPM County Chaves
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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: Unsuccessful attempt to return to injection ☒

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.

4/4/13 - MIRU. Found 2 3/8" x 4' tbg sub in WH. No tbg in well. Replace tbg head with 2000#, 4 1/2" x 2 3/8" Larkin WH. MI 106 jts of 2 3/8" tbg WS. Tally same. PU and run tbg WS, 4 1/2" csg scraper & 3 3/4" bit. Ran to 2980'. Rotate string with torque. Did not indicate to be rotating on metal. TOH w/ tbg & BHA. Attempt to run A & M's 4 1/2" RBP. Unable to get into top of 4 1/2" csg to run & set at 2975'. Ran & rotate 3 7/8" tapered mill into top of 4 1/2" csg. Able to get mill through tight spot. Attempt to re-run RBP into 4 1/2" csg. Still would not go. Stopping at the gauge rings on RBP.

4/5/13 - Replace 4 1/2" RBP. TIH w/ tbg WS & 4 1/2" Cline RBP. Ran & set at 2975'. Attempt to load hole with PW. Failed to fill up. TOH w/ tbg & retrieving head for RBP. Ran 40 arm caliper magnetic log (CIL) from 300' to 2956'. Ran GR/CBL from 1650' to 2956'. TIH w/ pkr. Tested 4 1/2" csg at 490', 60' & 5'; csg leaking out surface pipe at all of the above footages (leak in surface pipe was just below the surface pipe well head). Ran tbg with pkr to 1030' & tested down tbg. Pressure to 500# and leaked off 200# to 300# in 1 min. Tested 3 times with same results. Lower pkr to RBP, latched onto same and TOH, LD tbg WS with tools.

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 04/09/2013

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

*5-7-2013*

Conditions of Approval (if any):

MAY 20 2013 *Chm*