New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

HOBBS OCD

Form 3160-5
(August 2007)

JUN 2 4 2011

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.
LC-070337

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.
Drickey Queen Sand Unit #37

2. Name of Operator
Celero Energy II, LP

9. API Well No.
30-005-01034

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

3b. Phone No. *(include area code)*
(432)686-1883

10. Field and Pool or Exploratory Area
Caprock; Queen

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FSL & 660' FWL
(M) Sec 10, T14S, R31E

11. Country or Parish, State
Chaves, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[X] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/Resume)	[ ] Water Shut-Off
	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[ ] Subsequent Report	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[ ] Other _____
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
[ ] Final Abandonment Notice	[X] Convert to Injection	[ ] Plug Back	[ ] Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. POOH w/production equipment.
2. Run bit & scraper to TD.
3. Run CIL. Run packer & test casing.
4. Acidize with 1500 gals inhibited 7.5 % HCL.
5. Run plastic coated injection tubing & packer, perfrom MIT & shut in pending injection permit.

APPROVED FOR ~~MONTH~~ PERIOD
ENDING DEC 3 1 2011

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Lisa Hunt

Title Regulatory Analyst

Signature Lisa Hunt

Date 05/24/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS

Title PETROLEUM ENGINEER

Date JUN 17 2011

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Approval Subject To Calling The BLM Roswell Field Office At Least 24 Hours Prior To The Scheduled Mechanical Integrity Test (MIT). For Wells In Chaves And Roosevelt County, Call (575) 627-0205 Or After Office Hours Call (575) 420-2832.

JUN 2 8 2011