

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 OGD

OIL CONSERVATION DIVISION

JUN 11 2013

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-005-00834
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	303735
7. Lease Name or Unit Agreement Name	Rock Queen Unit
8. Well Number	22
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 Monitor ☒
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 O : 660 feet from the S line and 1980 feet from the E line
Section 23 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Return to production ☒

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.

5/29/13 - NDWH & NU 3K BOP. Release pkr, circ hole with 10 ppg PW. TOH, LD 93 jts of 2 3/8" OD regular IPC tbg w/ 5 1/2" model AD-1 plastic coated pkr. MI 100 jts of 2 7/8" OD 6.5# 8rd EUE J-55 tbg as WS. PU 2 7/8" tbg 6- 3 1/8" OD DC's & 3 3/4" bit. Ran to TD of 3058'. No fill. Circ hole clean recovering very little fill (paraffin & dark scale). Raise bit to 2995'.

5/30/13 - Lower bit to 3043' (corrected depth). No fill overnight. TOH w/ tbg, DC's and 3 3/4" bit. TIH with 4 3/4" bit, 1- 3 1/8 DC's, 4 3/4" string mill, 1 - 3 1/8" DC & 4 3/4" string mill. Ran on 2 7/8" OD tbg and tag at 2992'. RU swivel. Unable to make hole. Bit would bounce up and down. TOH w/ tbg and BHA. TIH with 2 7/8" tbg with 2 jts of 2 3/8" tbg & 2 3/8" notched collar. Ran and tag at 2992'. Turn string and fell through tight spot. Ran to 3043'. Rotate string with string bouncing up and down, indicating drilling on metal. Unable to go deeper. Raise EOT to 3030'. Pump and circ 300 gal of Toluene down tbg, up inside of tbg-csg annulus to surface. Reverse pump Toluene down tbg-csg annulus to EOT. Continue this procedure 4 times, leaving Toluene at btm of tbg-csg annulus.

5/31/13 - Circ Toluene down and back up csg. Circulate same out to small pit. TOH w/ tbg and notched collar. Ran GR / CCL from 1000' to 3034'. *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 06/10/2013

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 6-20-2013

Conditions of Approval (if any):

Rock Queen Unit #22 – C103 continued

6/3/13 - TIH w/ 2 7/8" OD tbg, 4- 3 1/8" OD DC's & 3 5/16" cone buster mill. Tag @ 3040'. RU swivel. Mill & C/O from 3040'-3071' in total of 2 hrs. 1st 4' from 3040'-3044' took 1 hr & 10 min, recovering metal, cmt & some scale. Ran to TD of 3071', recovering pea gravel, fiber, frac sand & formation. Circ hole clean. TOH w/ tbg & BHA. Mill worn down about 40% & btm collar was shiny w/ marks on same. TIH w/ tbg & 5 1/2" AD-1 pkr. Ran to 2965'. Load & test tbg-csg annulus to 575#, held for 10 min w/ no psi loss. Release pkr & circ btms up. TOH w/ tbg & bit.

6/4/13 - TIH w/ tbg WS and Globe's 5 1/2" nickel plated AS1-X pkr with blanking plug in profile nipple and cap string connections. Set top of pkr at 2960' & end of pkr at 2973'. Test to 575# and held with no loss for 10 min. Release T-2 on-off tool & circ hole with pkr fluid. Pull and LD tbg WS with T-2 on-off tool. NDBOP & ND 5 1/2" Larkin WH. NU 5 1/2" screw btm x 7 1/16" flanged top csg head.

6/5/13 - RU New Spoolers to band 3/8" SS tbg strings to the 2 3/8" OD IPC tbg (pumped through both 3/8" SS tbg strings before running DH). Ran 90 jts of 2 3/8" OD 4.7# 8rd EUE J-55 seal lube IPC tbg + 2 3/8" x 10' tbg sub with Globe's Top Assembly plus 2 - 3/8" SS tbg strings banded to 2 3/8" IPC tbg. Ran & latched onto top of pkr at 2966', placing 10 pts of compression on packer (pkr set from 2966' to 2978'). NU 7 1/16" 3K slip type flange with 2 - 1" outlets, used for stuffing boxes for 3/8" SS tbg, on csg head flange. Pumped down CO2 - 3/8" SS line w/ 15 gal fresh water at 3800#. Pumped down 3/8" SS water/chemical line w/ 20 gal of fresh water at 3900#. Both lines are operational & okay. Installed 2 1/16" 5K tbg valve to prepare WH surface equipment to be connected to production facilities. Pulled 1.56 "R" blanking plug out of 1.56 "R" profile nipple. SITP = 100#. Clean location and RDMO Service Rig. Well connected to production facilities.