

Office

Energy, Minerals and Natural Resources

Revised August 1, 2011

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

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

HOBBS OGD
JUL 18 2013

WELL API NO. 30-005-00874
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 49
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 ☒ Gas Well ☐ Other ☐

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 South line and 1980 feet from the East line
Section 26 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: ☐

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.

7/9/13 - Ran and set 1,562 "R" blanking plug in profile nipple at 2985'. Placed 200 psi on tbg to help seat plug.

7/10/13 - Test tbg-csg annulus to 550 psi FS to 2971'. Held 10 mins & no pressure loss. Rel on/off tool from pkr & circ hole w/ PW. TOH w/ 2 3/8" IPC tbg w/ T-2 on/off tool. Pull 91 jts w/ 2 - 10' x 2 3/8" tbg subs & Globe Energy's top assembly. PU 2 7/8" tbg WS w/ 2 7/8" perf nipple & 0/0 tool. TIH & latch onto pkr at 2971'. Release pkr & TOH w/ tbg & pkr. TIH w/ 4 3/4" bit, 1 - 3 1/8" DC, 4 7/8" string mill, 1 - 3 1/8" DC, 4 7/8" string mill, 1 3 1/8" DC, & ran on 2 7/8" tbg WS. Tag at 3050' = TD.

7/11/13 - Lower bit back to bottom & circ hole clean. No fill with very little cuttings. Pumped 500 gals of Xylene down tbg back up tbg-csg annulus. Rev pump back down tbg-csg annulus, back up tbg-csg annulus. Pumped Xylene back down csg and overflushed into formation with 50 +/- BPW. Pumped away at 200 psi & 2+ BPM. SD psi = 140 psi. Let set 30 mins and pressure bled off. TOH w/ tbg WS, LD tbg with DC's, string mills and bit. The BHA was clean. RU to run 5 1/2" cap string pkr and 2 3/8" IPC tbg. Ran 91 jts of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg with 5 1/2" NP AS1-X pkr w/ 1.562 "R" blanking plug in profile nipple. Set pkr from 2969' to 2982'. *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 07/16/2013

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

7-22-2013

Conditions of Approval (if any):

JUL 24 2013

Rock Queen Unit #49 – C103 continued

7/12/13 - Release from pkr. Circ hole with pkr fluid. TOH w/ tbg and T-2 on/off tool. PU Globe Energy's Top Assembly ran on 91 jts of 2 3/8" OD 4.7# 8rd EUE seal lube IPC tbg plus 2 - 3/8" SS cap strings banded to the 2 3/8" tbg. Latch onto to pkr at 2969'. Install 7 1/16" 3K slip type flange with 2 - 1" outlets w/ stuffing boxes for the 3/8" SS cap strings. Tied onto CO2 & chemical/water cap strings & pumped 12 gallons of fresh water down each. Placed 10 pts compression on pkr. Finish connecting up WH, installed 2 1/16" 5K full opening valve. Equalized 1,562 "R" blanking plug in profile nipple. TIH and recovered blanking plug. Return well to production.