

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

**HOBBBS OCE**  
**NOV 13 2013**  
**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-00200
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Celero Energy II, LP		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name North Caprock Celero Queen Unit
4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>S</u> line and <u>660</u> feet from the <u>W</u> line Section <u>32</u> Township <u>12S</u> Range <u>32E</u> NMPM County <u>Lea</u>		8. Well Number 28
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen		

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.

10/17-10/29/13

MIRU. NDWH & NUBOP. INSTALL CIRC HEAD. PU 4 3/4" LS BIT, (1) DC & M/U SAME. RIH & TAG @ 27'. Drlg cmt from 27'-402'. LOAD 5.5"X8 5/8" W/ 1/2BBL. PRESSURE UP ON PERFS @ 350' TO 300#. PSI LEAKED OFF IN 3 MIN. PUMPED 5 BBLs INTO PERFS @ .5BPM @ 300# W/ NO COMMUNICATION ON BACKSIDE. TIH TO 1373' & TAG PLUG. DRLG F/1373'-1534' 35.7 FPH. CIRC HOLE CLEAN. DRLG CMT F/1534'-1620'. TAG PLUG @ 2751'. DRLG CMT F/2751'-2840'. CIRC WELL CLEAN. DRILL CMT F/2840'-2941'. LOST RTNS @ 2930' DRY DRILL TO 2941'. P/U 4 3/4" SHOE W/ WIRES AND DIAMONDS, (4) DC'S. TIH & TAG @ 2941'. DRLG ON JUNK F/2941'-2955'. BROKE THROUGH AFTER 1.5 HRS & SHOE FELL 14' THEN TAGGED UP AGAIN. CONTINUED DRLG BUT MADE NOTHING. TIH W/ 6 3/8" DC'S & 89 JTS TBG, TAG @ 2955'. MILL ON JUNK F/2955'-3023'. COULD NOT GET PAST 2989'. WORK BACK THRU 2989' NUMEROUS TIMES. CONTINUE DOWN TO 3023', COULD NOT MAKE ANY HOLE. P/U 4 3/4" TAPER MILL. TIH TO 2854'. OPEN BOP & TIH TO 2989' TAG UP. WORK THRU SPOT @ 2989' CONTINUED DOWN TO 3027' MILL WOULD NOT DRILL. WORK THRU SPOT @ 2989'. TIH W/ 4 3/4" BIT TAG @ 2955'.

\*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 11/11/2013

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

**For State Use Only**

APPROVED BY: Mary Brown TITLE Compliance Officer DATE 11/14/2013

Conditions of Approval (if any):

NOV 14 2013

**North Caprock Celero Queen Unit #28** – C103 continued

**10/30/13** - DRILL TO 3052'. RIH W/ CIL TO 3010' COULD NOT GET TOOL PAST 2989' CLOSE TOOL & PULL UP TO 2950' OPEN TOOL & COMPLETE LOG. P/U 2 3/4" CBL TOOL & RIH TO 3025' & LOG UP TO 2000' WELD ON WATSON DUPLEX SHOE & RUN 131.27' 4" 10# UFJ CSG. WELD ON TOP COLLAR. RUN 6 JTS 2 3/8" TBG 188.37' & 89 JTS 2 7/8" TBG. RIH TO 2987' TAGGED UP. ATTEMPT TO PUMP LINER DOWN W/ NO RESULTS. COULD NOT WORK LINER THRU. TOH W/ LINER. PULLED 26 STDS.

**10/31/13** - TOH W/ 2 7/8" TBG. UNSET TOOL IN 4" LINER. L/D 2 3/8" TBG. CUT OFF SLIPXSLIP COLLAR & WELD ON SLIPXTHREAD COLLAR. LD (3) JTS 4" UFJ CSG. TIH W/ (10) 3 1/8" DC'S & LD SAME. PU 10' 2 3/8" MUD ANCHOR W/BP, WORKING BARREL & PERF SUB. TIH W/ 92 JTS 2 7/8" 6.5# J55 TBG. S/N @ 2910'. EOT @ 2925'. NDBOP & NUWH. R/U & RUN 4' PLUNGER, 6 1 1/4" K-BARS, 70 3/4" RODS, 39 7/8" RODS. P/U POLISH ROD & STUFFING BOX & SECURE WELL. WILL SPACE OUT & STROKE PUMP IN AM.