

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.	30-025-07121
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 Lawton State	
8. Well Number	3
9. OGRID Number	247128
10. Pool name or Wildcat SWD Devonian	

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 SWD <input 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 <u>N</u> : <u>660</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>32</u> Township <u>11S</u> Range <u>38E</u> NMPM County <u>Lea</u>	
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

7/10/12 - ND master valve. PU on 4 1/2" tbg, WIR 92,000. Work up to 136,000 to get off profile nipple, tbg parted, WIR 52,000. PU 60' to inspect OD of pipe, set down, tag TOL at 4189' w/ 40' pipe out, 3 1/2" tbg parted at 4229'. NUBOP & 11" X 3000 adapter spool.

7/11/12 - PU on 4 1/2" tbg, WIR 52,000, pipe free. PU 2', had to pull 50 pts to pull through then pipe was free again. POH with 131 jts 4 1/2" 12.75# 8rd IPC tbg (3968.55'), x-over, 5 jts + 23.67' 3 1/2" 9.3# 8rd IPC tbg (212.36'). Total pipe pulled 4193.87', 1st 15 jts 4 1/2" had ID scale up to 1/2" thick, last 31 jts continually got worse with OD scale, btm of pipe was corroded into. Did not appear to have been parted.

7/13/12 - Rack 399 jts 3 1/2" 9.3# N-80 8rd tbg w/ Turned Down Couplings. RIH with 7 5/8" skirted & bored bit, BS, 6) 3 1/2" DC's, x-over, 3 1/2" tbg, 88 jts in at 2,889'. Started pumping 1 BPM down csg, 110 jts in at 3,600'. PU power swivel, increase rate to 2 BPM, rotate down to 121 jts + 16' in at 4,044'. Drill for 5 minutes w/o making any hole, pumped 150 bbls total w/o breaking circ.
*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 07/19/2012

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

For State Use Only

APPROVED BY: Maley Brown TITLE Compliance Officer DATE 7/20/2012

Conditions of Approval (if any):

Lawton State #3 – C103 Continued

7/16/12 - RIH with 7 1/2" OD impression block, 3) x-overs, 127 jts + 13' of 3 1/2" tbg, tag at 4045', set 10 pts wt, pull 10 pts over tbg wt to pull out. POH with impression block, no marking on face of block, slight indentation on OD of block. RIH with 4 5/8" cutlip guide & overshot with 3 1/2" grapple, 6' extension, top sub, 127 jts 3 1/2" tbg to 4036'. Pump 1000 Gal 15% HCL NEFE acid, flush down tbg with 40 BFW. Flush with 80 BFW. RIH, push through at 4045' w/ 1/2 pt, tag w/ 129 jts + 4' at 4104', could not work past, takes 2 pts to pull free. PU to 4100'. RIH with 1 7/16" collar locator & 5' sinker bar, tie into overshot at 4100', repeatedly tag at 4120'. POH.

7/17/12 - RIH with 4 1/2" to 7 1/4" bullnose, mill, x-over, 6) 3 1/2" DC's, x-over, 121 jts + 18' of 3 1/2" tbg, tag at 4046'. PU power swivel, start pumping 1 BPM down csg, mill sections listed as follows: 4046' - 4047', 4076' - 4077', 4104' - 4111', 4121' - 4123', 4125' - 4135', 4145' - 4147'. At 4147' milling very hard. POH with 4 jts to 4028'.

7/18/12 - POH with bullnose mill. RIH with 7" impression block, 3) x-overs, 3 1/2" tbg, tag with 129 jts + 9' at 4104, set 2 pts wt & fell through. Tag at 130 jts +20' at 4147', set 30 pts tbg wt. PU with no over pull. Start POH, hung up with block at 4104', could not rotate through, pulled 15 pts to pull through. POH w/ impression block, junk mark on btm, sliced off piece from top appears to be curvature of 8 5/8" csg. RIH with 3 1/2" Turned Down Notched Collar, 129 jts + 12' tag at 4104, fell through with 1/2 pt wt, tag junk at 4172', push in hole with 2- 4 pts tbg wt to 4185'.

LA670N SWD #3 - 3-1/2" 7.3 # 84 FUE 1PC 101W 186



L4470N SLD #3 - 3-1/2" 9.3# 84 EUC 1PC INTN TUBING

