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. 30-005-00930

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. 303735

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.)

7. Lease Name or Unit Agreement Name: Rock Queen Unit

1. Type of Well: Oil Well [ ] Gas Well [ ] Other Injection

8. Well Number 85

2. Name of Operator: Celero Energy II, LP

9. OGRID Number 247128

3. Address of Operator: 400 W. Illinois, Ste. 1601 Midland, TX 79701

10. Pool name or Wildcat: Caprock; Queen

4. Well Location
Unit Letter D : 550 feet from the North line and 600 feet from the West line
Section 36 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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[X]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	P AND A	[ ]
PULL OR ALTER CASING	[ ]	MULTIPLE COMPL	[ ]	CASING/CEMENT JOB	[ ]		
DOWNHOLE COMMINGLE	[ ]						
OTHER:	[ ]			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.

4/22/13 - Wireline set 1.78" "F" blanking plug in profile nipple at 2984'. Test down tbg with 1500# to check the seal of blanking plug. Checked a total of 4 times. Each time the psi would bleed off to 1000# in 5 mins. Would bleed momentarily back to 0#, but would keep flowing. Test tbg-csg annulus to 550# & held.

4/23/13 - TIH with retrieving tool for 1.78" "F" profile nipple. Took 3 times to recover. Pumped 25 BPW down tbg and well went on vacuum after 11 bbls pumped. Pumped 30 BFW down tbg at 1 - 1 1/2 BPM with pressure increasing to 125 psi. Precision ran a 1.78" "F" blanking plug and placed in profile nipple of pkr at 2984'. Pressure up on plug with 1500 psi. SD 5 mins with no pressure loss. Did this twice. Release pressure with no backflow of fluid. Plug holding.

5/9/13 - NDWH & NUBOP. Release T-2 on'off tool from pkr. Circ hole with 10 ppg produced water. Latch back onto pkr.

* Continud 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 05/20/2013

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

For State Use Only

APPROVED BY: TITLE DistMgr DATE 6-18-2013
Conditions of Approval (if any):

JUN 18 2013

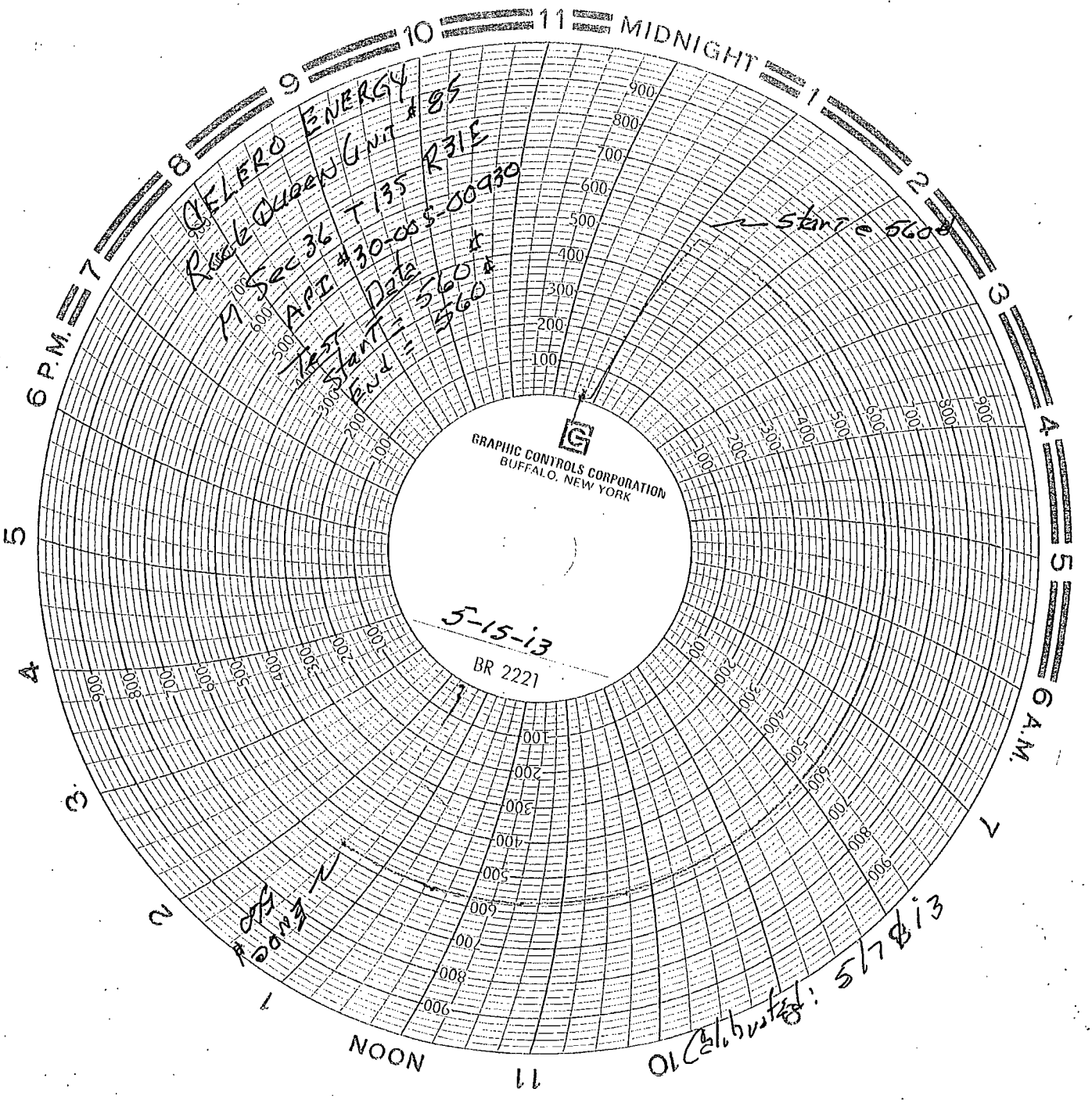
Rock Queen Unit #85 – C103 continued

5/10/13 - Release inj pkr and TOH w/ 2 3/8" IPC tbg and 5 1/2" AS1-X packer. Bottom rubber of pkr swollen out; remainder of pkr looked okay. Pickup Globe Packer's 5 1/2" RBP & test pkr. Ran on 2 7/8" O.D. tbg WS. Ran & set RBP at 2966' w/ pkr at 2964'. Test tbg, pkr and RBP w/ 800# & held okay for 15 mins. No pressure loss. Test tbg-csg annulus with 550# & lost 40# in 15 mins. Broke tbg connection, found oil & paraffin in top of tbg. Release pkr & circe hole, recovering 10+ bbls of heavy oil & paraffin fluid. Raise & set pkr at 2872'. Test tbg-csg annulus to 550# & lost 50# in 15 mins. Have pressure loss in 5 1/2" FS to 2872'. TOH w/ tbg & pkr.

5/13/13 - TIH with tbg work string plus 5 1/2" csg scraper & 4 3/4" bit. Ran to RBP at 2966'. Raise above RBP a few feet and circ hole. Recovered a small amount of debris. TOH w/ drill string and BHA. Ran 5 1/2" test packer to test 5 1/2" csg. Found csg leak from surface to 30'; testing to 580 psi, losing 100 psi in one min. Test down tbg from 30' to RBP at 2966'. Held 560 psi for 30 mins per pressure chart. TOH w/ drill string & pkr. Dug out around surface head, etc.

5/14/13 - Replace surf csg head with 8 5/8" X 5 1/2" Larkin, 2000 psi working pressure head. Back off 3 jts off 5 1/2", 14# csg at 90' from ground level. TOH & LD same. Re-ran 2 jts of 5 1/2" 15.5# LT&C J-55 csg (92') with bell nipple screwed on bottom jt. Screw into 5 1/2" 14# csg with collar looking up. Tied onto csg at surf & test to 580# psi. Lost to 540# psi in 5 mins, a loss of 40 psi. Tested several times. Ran pkr to 116' below tie back at 90' & test from 116' to RBP at 2966'. Test to 540 psi and held with no pressure loss for 15 mins. Back off csg at 156' FS, pull & LD 2 additional jts of 5 1/2" 14# csg (64'). TIH with a total of 4 jts of 5 1/2" 15.5# LT&C J-55 csg (176'), screwed into 5 1/2" 14# csg collar looking up w/ bell nipple screwed on bottom of 5 1/2" 15.5# csg. Connect up to test. Test to 550 psi for 15 mins and lost 90 psi to 460 psi.

5/15/13 - Re-test 5 1/2" csg FS to RBP at 2966'. Held 520 psi for 30 mins with no loss. Install 7 1/16", 3K, X 5 1/2" WH flange. NUBOP. TIH w/ tbg WS and T-2 retrieving head for RBP. Ran to RBP, wash off sand, latched onto to same, pull and LD tbg WS and RBP. TIH w/ Globe's 5 1/2" AS1-X nickel plated pkr with 1.50' "F" profile nipple plus T-2 nickel plated on-off tool. Ran on 90 jts of 2 3/8" O.D. 4.7# 8rd EUE J-55 IPC tbg with seal lube, 2- 2 3/8"x 8' O.D. IPC tbg subs & 1 joint of 2 3/8" O.D. IPC tbg with seal lube. Set pkr from 2967 to 2973' (EOT), release on-off tool from pkr & circulate pkr fluid. Latch back onto pkr, placed 8 points of compression on same, NDBOP & NU 7 1/16" slip type tbg head flange with 2 1/16", 5K tbg valve. Called Maxey Brown w/ OCD to run MIT. Ran MIT for 31 mins. Pressure at 560# w/ no pressure loss. Copy of chart is attached. Clean location and RDMO. To connect to injection.


MIDNIGHT
6 P.M.
6 A.M.
NOON
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
5-15-13
BR 2221
CELERO ENERGY
Rock Queen Unit #85
H Sec 36 T13S R31E
API #30-005-00930
Test Start Date
Start = 560 #
End = 560 #
Start = 560#
Calibrated: 5/7/13