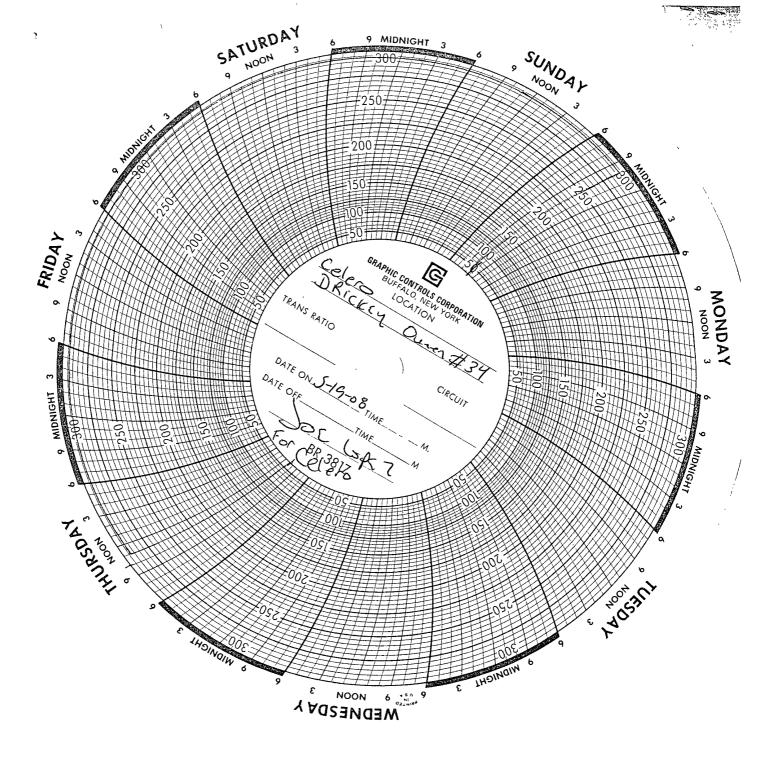
New Mexico Oli Comervation Clyleion, Disselde Roved RTMENT OF THE INTERIOR 1625 N. French Drive BUREAU OF LAND MANAGEMENT Hobbs, NM 882455, Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NMLC-060812(a) 6. If Indian, Allottee or Tribe Name proposals to drill or to re-enter an 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1. Type of Well Oil Well GasWell X Other 8. Well Name and No. DRICKEY QUEEN SAND UNIT 34 2. Name of Operator 9. API Well No. CELERO ENERGY II, LP 30-005-01030 3b. PhoneNo. (include area code) 3a. Address (432)686-1883 10. Field and Pool, or Exploratory Area 400 W. Illinois, Ste 1601 Midland TX 79701 CAPROCK QUEEN 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1980' S 1980' E CHAVES UL: J, Sec: 10, T: 14S, R: 31E NM 12. CHECK APPROPRIATE BOX(ES)TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Water Shut-Off Deepen 🗌 Production (Start/Resume) Notice of Intent AlterCasing Well Integrity Reclamation __ FractureTreat X OtherREACTIVATE Casing Repair New Construction Recomplete X Subsequent Report __ Change Plans Plugand Abandon TemporarilyAbandon **INJECTOR** Final Abandonment Notice PlugBack Water Disposal Convert to Injection 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) 4/15/2008 to 5/20/2008 Reactivate abandoned injection well to injection. (R-1128) MIRU. Fished junk 2 3/8" tbg & milled out well to new TD.@ 2950'. Pressure tested 7" csg, failed. Set composite BP @ 2801'. Ran 4 1/2" 11.5# J-55 csg from 2800' to surface and cmt'd w/ 160 sx 35/65 poz Class C cmt w/ additives & 50 sx Class C cmt w/ additives in tail. Circ. 32 sx to pit. DO cmt & composite BP, and CO well to new TD @ 2950'. Ran CBL, good bond. Ran 2 3/8" 4.7# J-55 IPC injection tbg & Arrowset pkr. Set pkr @ 2789'. Acidize Queen interval (2900-2950') w/ 2000 gal 7 1/2% NEFE acid & 500# rock salt in two stages @ 4.2 BPM and 170 - 550 psi STP. Notified OCD of MIT. Ran MIT for 30+ min. and held 300#. Returned well to injection.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)					
Haylie Urias	Title Operations Tech				
Signature Court College	Date 06/18/2008				
ACCEPTED TO THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
Approved by SEP 2 2003 GLASS	Title Date				
Conditions of approval, if any, are attached. Approval of this notice does not war certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.					
Title 18 U.S.C. Section of The Work of Translations are the United States any false, fictifieds or translations to representations as to any matter within its jurisdiction.					



CELERO ENERGY

Jun. 03, 2008 DATE: FIELD: Caprock BY: **JEA** LEASE/UNIT: WELL: 34 **Drickey Queen Sand Unit COUNTY:** Chaves **STATE:** New Mexico Location: 1980' FSL & 1980' FEL, Sec 10J, T14S, R31ECM KB = 4,278'GL = SPUD: 08/54 COMP: 08/54 API = 30-005-01030 **CURRENT STATUS: Injector** Original Well Name: Hopp #1 13-3/8" 48#/ft @ 324' cmt'd. w/ 360 sx cmt. TOC @ surface (calc). 8-5/8" csg string set @ 1271' for protection string. Drld out w/ cable tools to 2898'. Recovered 8-5/8" csg and ran 7" production csg. Drld to T.D. w/ cable tools. - 2-3/8"/4.7#/J-55 IPC injection tbg with Arrowset pkr set @ 2789'. 4 1/2" 11.5# J-55 liner from 2800' to surface, cmt'd w/ 210 sx Class C cmt (circ 32 sx). 7" 20# @ 2898' cmt'd. w/ 400 sx (DNC). TOC @ surface (calc). Top of Queen @ 2900': Queen Open Hole: 2900' - 2925' (08-54) Queen Open Hole: 2900' - 2950' (05-08) PBTD - 2950' TD - 2950' 6/3/2008 DQSU #34R.xls

OPERATOR: Cele	ero Energ	y II, L P			· · · · · · · · · · · · · · · · · · ·		
WELL NAME & NU	JMBER:	Drickey Queen Sand Unit #34					
WELL LOCATION:	1980'	FSL & 1980' FEL;	J		10	T14S	R31E
	FOC	TAGE LOCATION	UNIT LETTER		SECTION	TOWNSHIP	RANGE
	<u>WELLB</u>	ORE SCHEMATIC (See Attached)	,		WELL CONST Surface	CRUCTION DATA Casing	
			Hole Size:			Casing Size: 13 3/8	,,
			Cemented wit	h: 360sx		or	ft ³
			Top of Cemer	t: Surface		Method Determined	:
			Intermediate Casing				
			Hole Size:			Casing Size:4 ½"	Liner
			Cemented wit	h: 210	sx.	or	ft ³
		·	Top of Cemer	at:Surfac	e <u></u>	Method Determined	:
				Production	n Casing		
			Hole Size:			Casing Size: 7"	
			Cemented wit	h: 400sx		or	ft ³
			Top of Cemer	nt: Surface	e	Method Determined	•
			Total Depth:	2898'			
				Open ho	<u>Injection</u> ole (2900'-2950')		

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

	Tubing Size: 2 3/8"/ 4.7#/ J-55	Lining Material: Internally Plastic Coated					
Type of Packer: Arrowset							
Pac	Packer Setting Depth: 2789'						
Oth	Other Type of Tubing/Casing Seal (if applicable):						
Additional Data							
1.	Is this a new well drilled for injection?	YesXNo					
	If no, for what purpose was the well originally drilled? Primary depletion oil producer						
2.	Name of the Injection Formation: Queen						
3.	Name of Field or Pool (if applicable): Caprock						
4.	Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No						
5.	5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: None						