

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

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

WELL API NO.	30-005-00853 ✓
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	303735
7. Lease Name or Unit Agreement Name	Rock Queen Unit ✓
8. Well Number	60 ✓
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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <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 J : 1980 feet from the South line and 1980 feet from the East line Section 26 25 Township 13S Range 31E NMPM County Chaves
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4367' GL

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 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 checked="" 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"/>	

Approved for plugging of well bore only.  
Liability under bond is retained pending receipt  
of C-103 (Subsequent Report of Well Plugging)  
which may be found at OCD Web Page under  
Five pertinent dates, including estimated date

13. Describe proposed or completed operations. (Clearly state all pertinent details, and date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

9/22/08-9/26/08. MIRU. NU BOP. TIH w/ 3 3/4" bit, 6 - 3 1/8" DC's & tally. PU 2 7/8" tbg. Tag @ 2966'. Drill down to 2982'. Circ. clean. TOH. ND BOP & WH. Unable to get slips out of Braden head. Welder cut off Braden head & 4 1/2" csg. NU new Braden head & BOP. Try to run free pt @ 2500', 2000', 1500', 1000', 500' & stuck on all, @ 250' loose, 300', loose, 400' stuck, 250' loose, 386', loose. Ran gauge ring to 2982'. Run BP to 2982' & set. Put BOP back on 4 1/2". RU Superior to pump cmt plug on top of BP @ 2982'. Pump 35 sx of Class C w/ 3% CCL. Pulled up to 2300' waited 3 hrs went back down & tagged cmt @ 2580'. Pulled up 1 jt., circ. 50 bbls brine wtr, 2.5# salt water clay per 1 bbl. Pulled & LD 9 jts., put rest in derriik. RIH & shot 4 holes @ 2300' & started out & well started gasing. Got gun back to surface it had 250#. Bled off got perf gun out closed BOP. Turn to tank it flowed about 1 hr. & LD. TIH w/ pkr & tbg to 2022' set pkr. Load hole pump 7 bbls 1.6 PBM @ TP 1260, pump 100 sx Class C w/2% CACL2 23.5 bbls @ 1.5 BPM @ 1175, pump flush 13.8 bbls @ 2 BPM TP 800, ISIP 740. Wait 3 hrs. Unset pkr. TOH w/ tbg & pkr. Took off pkr. TIH w/tbg tagged @ 2200'. TOH w/ tbg. Run in shot @ 1530'. RU. TIH w/pkr. Set pkr @ 1212'. Pump 7 bbls of wtr @ 2 BPM TP 1210. Pump 75 sx of class C w/2% CACL2 @ 1.5 PBM TP 720. Pump flush 1.7 BPM TP 1440. ISIP 1200. Wait 3 hrs. Unset pkr. Run in tagged @ 1378'. TOH w/ tbg & pkr took off. Run & shot holes @ 350'. TIH w/ tbg to 350'. Pump 7 bbls & it circulated out 7-5/8". Pump 100 sx of class C w/2% CACL2 & circulated cmt back up 7 5/8" to surface. Closed 7 5/8" & open 4 1/2" csg. Circulated cmt up it to surface & pulled tbg out. ND BOP & WH. Run hose in 4 1/2". Filled 4 1/2" up to surface. Took off 8 5/8" braden head. Cut off 4 1/2". Installed surface marker. RD.

Bridge plug set @ 2982' w/35 sx cmt up to 2690', 2300' to 2200' 100 sx cmt plug, 1530' to 1377' 60 sx cmt, 350' to surface 100 sx cmt, filled 4 1/2" w/ 10 sx cmt.

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 10/10/2008

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

For State Use Only

APPROVED BY [Signature] TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE OCT 16 2008

Conditions of Approval (if any):