

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

RECEIVED

APR 20 2009

HOBBSON

Minerals and Natural Resources

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-025-00303 ✓
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	Rock Queen Unit ✓
8. Well Number	81 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Caprock; Queen

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>(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.)</p>	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <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 O : 660 feet from the South line and 2310 feet from the East line Section 30 Township 13S Range 32E NMPM County Lea ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4379' KB

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 ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: Convert to injector ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- MIRU PU.
- POOH & LD rods.
- RIH & C/O well to TD.
- RIH w/pkr & check csg integrity.
- RIH w/injection pkr & tbq.
- RUN MIT.

Well will be shut in pending injection permit.

OCD Condition of Approval: Approval for evaluating well bore for injection. Need injection application approval from OCD Santa Fe Office. CANNOT inject until OCD Santa Fe approves injection order.

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 04/20/2009

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

For State Use Only

APPROVED BY: Cam W. Hill TITLE DISTRICT 1 SUPERVISOR DATE APR 27 2009

Conditions of Approval (if any):