

New Mexico Oil Conservation Division, District 1

Form 3160-5
(Approved)

UNITED STATES **1625 N. French Drive**
DEPARTMENT OF THE INTERIOR **Hobbs, NM 88240**
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

RECEIVED
DEC 09 2010
HOBBSON

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Inj	5. Lease Serial No. LC-068288-A
2. Name of Operator Celero Energy II, LP	6. If Indian, Allottee or Tribe Name
3a. Address 400 W. Illinois, Ste. 1601 Midland TX 79701	7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) (432)686-1883	8. Well Name and No. ROCK QUEEN UNIT #54
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL 660' FWL UL: D, Sec: 25, T: 13S, R: 31E	9. API Well No. 30-005-00863
	10. Field and Pool, or Exploratory Area CAPROCK; QUEEN
	11. County or Parish, State CHAVES NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

10/29/10 - Pumped 10 BFW @ 2 bpm & 0# pressure. Pump 25 sx of Class "C" cmt w/ 2% CaC12 down 2 3/8" OD tbg & displaced @ 1 bpm & 0# pressure w/ 3.5 BFW. Let cmt fall & equalize in 2 3/8" tbg & 4 1/2" csg annulus. Raise tbg to 1,886'. WOC 3 hrs. Lower tbg & tag @ 2,958'. Will have to re-spot a cmt plug.

11/1/10 - Lower tbg to 2,958' Pump 25 sx of Class "C" cmt w/ 2% CaC12 & displaced w/ 3.5 BFW. Let cmt fall & equalize. Trip up hole w/ open ended tbg to 1,350'. WOC 3 hrs. Lower tbg & tag cmt @ 2,672'. Raise tbg to 2,345'.

11/2/10 - WOC 16 hrs, tag TOC @ 2,672'. With tbg @ 2,672', pump 22 bbls of 10 ppg of salt mud & spotted back to 1,264'. Raise open ended tbg to 2,597'. Pump 20 sx of Class "C" cmt w/ 2% CaC12 to cover perfs 2,450'. Displaced cmt as balanced plug. Raise tbg to 1,329'. WOC 4 hrs. Tag TOC @ 2,300'. Perf 4 1/2" csg @ 2,290'. Pumped into perfs 2,290' w/ 200# @ 1 1/2 bpm using 10 bbls of 10 ppg salt mud. Pump 50 sx of Class "C" cmt w/ 2% CaC12, displaced w/ 8 bbls of salt mud & stopped displacement. WOC.

* Continued on attached sheet

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Lisa Hunt	Title Regulatory Analyst
Signature <i>Lisa Hunt</i>	Date 11/10/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS	Title PETROLEUM ENGINEER	Date DEC 02 2010
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office ROSWELL FIELD OFFICE	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APPROVED AS TO PLUGGING OF THIS WELL BORE. LIABILITY UNDER BOND IS RETAINED UNTIL SURFACE RESTORATION IS COMPLETED.

APPROVED FOR 6 MONTH PERIOD
ENDING MAY 09 2011

Rock Queen Unit #54 – C103 Continued

11/3/10 - WOC 15.5 hrs, tag TOC @ 2,094' covering perfs @ 2,450'. Test cmt job w/ 500# & held okay for 15 minutes. Raise pkr from 2,048' to 1,288'. Perf 4 ½" csg @ 1,550'. Pumped 10 bbls of 10 ppg salt mud & establish a rate into perfs of 2 bpm & 50# pressure. Pump 50 sx of Class "C" cmt w/ 2% CaC12, displaced 1 bbl below pkr & shut off displacing fluid. WOC 3 hrs. Ran & tag @ 1,544'. Pumped 10 BPW on vacuum @ 2 bpm. Did not get cmt to hold above perfs 1,550'. Pump 10 bbls of 10 ppg salt mud, followed w/ 50 sx of Class "C" cmt w/ 2% CaC12. Displaced w/ 2 bbls of fresh water & SD pumps. Cmt continued to fall w/ a total of 6 bbls displacement on ¼ bpm vacuum. Shut off displacing fluid after 6 bbls. WOC 3 ½ hrs. Ran & tag @ 1,542'. Pumped 10 BPW to see if hole would load. Failed to load. Took 1 bpm @ 0# pressure. CWI.

11/4/10 - Visit w/David Glass @ BLM on cementing procedure for perfs @ 1,550'. Ran gauge ring for 4 ½" OD, 11.6# csg to 1,551'. Ran & set 4 ½" cmt retainer @ 1,525'. TIH w/ tbg & cmt retainer stinger. Stung into retainer & Pump 10 bbls of 10 ppg salt mud, followed w/ 50 sx of Class "C" cmt w/ 2% CaC12 & displaced cmt to retainer @ 1 ½ bpm & 0# pressure. Unstung from cmt retainer & reversed out 2 sx of cmt. TOH w/ tbg & cmt retainer. WOC 2 hrs. Perf 4 ½" csg @ 1,500' w/ 4 shots. TIH w/ tbg & pkr. Set pkr @ 1,256'. Attempt to pump into perfs @ 1,500#. Pumped 0.1 bpm @ 1,000#. Pressure would bleed off to 200#. Tried to establish rate, 0.1 bpm @ 1,000#, again. Unable to cmt squeeze perfs. Release pkr & TOH. TIH w/ tbg open ended to 1,519'. Pump 15 sx of Class "C" cmt w/ 2% CaC12 down tbg & spot as balanced cmt plug. TOH w/ tbg. WOC.

11/5/10 - WOC 15 hrs, tag TOC @ 1,512'. The 15 sx cmt spot over perfs @ 1,500' did not stay in the 4 ½" csg. Ran pkr to 1,505'. Test cmt retainer @ 1,525'. Tested to 500# & held. Pumped down the 4 ½" x 2 3/8" annulus into perfs 1,500' w/ 20 BPW. The perfs had broke down & would take fluid @ 1 ½ bpm & 0# pressure. Raise pkr to 1,100'. Pump 100 sx of Class "C" cmt w/ 2% CaC12 down tbg & pkr. Displaced w/ 4+ BFW taking fluid @ 1+ bpm & 0# pressure. Shut off displacing fluid to let cmt equalize to cover perfs @ 1,500'. WOC 3 hrs. TOH w/ tbg & pkr. TIH w/ tbg & tag cmt @ 1,372'. Tested to 500# & held for 15 min. Pick up 4 ½" csg & remove the WH slips. Ran free point tool. Found 4 ½" csg free @ 1,148' & stuck @ 1,150'. Jet cut 4 ½" csg @ 1,146' & pulled free.

11/8/10 - LD 24 full jts + 1- 44' piece of 4 ½" csg. Total of 1,139'. TIH w/ tbg, open ended to 1,201' (4 ½" csg stub @ 1,146'). Pump 40 sx of Class "C" cmt w/ 2% CaC12. Spot cmt as balanced plug @ 1,201'. TOH w/ tbg. WOC 3 ½ hrs. Tag TOC w/ tbg @ 916'. TOH. RU Basic WL. Perforated 7" csg w/ 4 shots @ 419'. Closed BOP rams & pumped down 7" csg to establish rate of 2 bpm @ 400# pressure pumping 9 BFW. CWI.

* **11/9/10** - TIH w/ tbg open ended. Ran to 473'. Pump 80 sx of Class "C" cmt w/ 2% CaC12 & circulated 7" & 9 5/8" csgs w/ cmt to surface. TOH. LD 2 3/8" OD tbg work string. Tied onto WH & pumped an additional 25 sx of cmt w/ 400# squeeze pressure. Total cmt pumped = 105 sx. NDBOP. Remove & cut off WH's. Install dry hole marker. Well now PA'd.

Copy of this sundry also sent to OCD Hobbs.