

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.HOBBS OGD
OCT 25 2011
RECEIVED

Lease Serial No.

NM-03210

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Celero Energy II, LP

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

4. Location of Well (Footage, Sec/T, R, M., or Survey Description)

660' FNL & 660' FEL

(A) Sec 17, T14S, R31E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

West Cap Queen Sand Unit #1

9. API Well No.

30-005-01093

10. Field and Pool or Exploratory Area

Caprock; Queen

11. Country or Parish, State

Chaves, NM

12. CHECK THE 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 checked="" type="checkbox"/> Other <u>Reactivate</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>producer</u>
	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

7/5/11 - TOOH w/ production equipment.

7/6/11 - C/O fill from 2740'-TD of 2758'. Circ hole clean. Check csg & pkr communicated between tbq & csg.

7/7/11 - Ran CIL w/ 40 arm caliper from surface to 2710'. Ran GR/CCL/CBL from 1700'-2710' w/ TOC @ 1970' & from 250'-950'.

7/8/11 - TIH w/ 88 jts (2708') of 2 3/8" OD 4.7# 8rd EUE J-55 tbq, testing to 6000# + 2 3/8" x 1' API SN & 2 3/8" x 4' bull plugged perf nipple. SN @ 2713'-14' & BPPN from 2714'-18' (open hole = 2742-58'). NDBOP & NUWH Ran 2" x 1 1/2" x 16' RWBC DH pump w/ strainer nipple (125" stroke), 6- 1 1/2" x 25' sinker bars & 101- 3/4" x 25' steel rodsw/ 1-2' x 3/4" pony rods. Install 1 1/4" x 16' polish rod w/ 1 1/4" x 1 1/2" x 8' polish rod liner. Load & test to 500#, ok. Clamp well off. Clean location & RDMO. Well shut in. Waiting on electricity & surface pumping equipment

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 08/30/2011

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

SEP 19 2011

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

Note: Accepted For Record Only For 6 Month Period

Ending JAN 08 2012! Approval Subject To Putting

Well On Continuous Production On Or Before

JAN 08 2012 And Keeping Well On Continuous Production.

Title 18 U.S.C. Section 1001 and 1014; 43 U.S.C. Section 1212, make it a crime for any person knowingly and voluntarily 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)

OCT 25 2011