

NEW MEXICO Oil Conservation Division, DISTRICT 1

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1625 N. French Drive
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

HOBBS OGD

Lease Serial No.

LC-062486

Indian, Allottee or Tribe Name

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.

OCT 25 2011

SUBMIT IN TRIPLICATE - Other instructions on page 2.

RECEIVED

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

1. Type of Well

☐ Oil Well

☐ Gas Well

☒ Other

Imj

8. Well Name and No.

Drickey Queen Sand Unit #816

2. Name of Operator

Celero Energy II, LP

9. API Well No.

30-005-00985

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

10. Field and Pool or Exploratory Area

Caprock; Queen

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

665' FNL & 1980' FEL
Sec 4, T14S, R31E (B)

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 Return to injection
	<input type="checkbox"/> Change Plans	<input 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 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.)

4/18 - 4/26/11

MIRU. Tried to unset pkr but pipe parted when picked up. TIH w/ 4 3/4" shoe, 10 jts 9.5 UFJ 9.5# & 65 jts 2 7/8" WS. Tag @ 2449'. Wash over fish from 2449' - 2821'. Hole will not fill on backside & had no returns. TIH w/ 4 11/16" overshot, w/ ext, bumper sub, jars, 6- 3 1/2" DC's & 71 jts 2 7/8" WS. Tag @ 2435'. Fish kept going down. PU 12 more jts tbg & tag @ 2801'. Pulled 50K on fish. Weight bled off, but jars did not go off. Set back down on fish. Picked back up & had no drag. TOH & recovered pkr, 1 jt 2 3/8" IPC tbg & piece of parted jt. Run CIL from 2790' - surface. Pumped 50 BPW & tried to run CBL. Could only log up to 2440'. Hole will not hold fluid. TIH w/ RBP & pkr. Set RBP @ 2400'. Pull up 62' set pkr & test RBP to 500#. Tested okay. Released RBP. TOH w/ 2 7/8" WS, pkr & RBP. Run 14 jts 4" UFJ 9.5# J-55 w/ duplex shoe, 20 jts 2 3/8" WS, total 625.09' & 69 jts 2 7/8" WS total 2177' + 18'. Shoe @ 2820', TOL @ 2223'. Pumped 50 bbls brine mud & cmt w/ 150 sx Class "C" cmt w/ 2% CaCl2. Displaced w/ 15 bbls. Had 200# psi while pumping mud, psi fell off on cmt. Had 250# SD psi. Stung out of liner & TOH. TIH w/ 2 3/8" WS & LD same. TIH w/ bull plugged perf sub to TOL @ 2223', no cmt. Pumped 50 BPW down hole @ 3 BPM w/ no pressure. TIH w/ AD-1 pkr & set pkr @ 2012'. Squeeze w/ 125 sx Class "C" cmt w/ 2% CaCl2 & 2# sand per sx. Had no pressure while pumping. Well still on vacuum @ SD. Sucked .5 bbls in 7 seconds. Waited 30 min, pumped 1 bbl, no pressure.

* Continued on attached sheet

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 07/07/2011

ACCEPTED FOR RECORD SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify 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 fictitious or fraudulent statements or representations as to any matter

of the United States any false,

**Accepted For Record Only For 6 Month Period
Ending DEC 30 2011! Approval Subject To Putting
Well On Continuous Injection On Or Before
DEC 30 2012 And Keeping Well On Continuous
Injection!**

OCT 26 2011

**ACCEPTED FOR RECORD
APPROVED FOR 6 MONTH PERIOD
ENDING DEC 30 2011**

Drickey Queen Sand Unit #816 - Sundry continued

4/27/11 - Pump 30 bbls mud in front of cmt. Follow w/ 125 sx Class "C" cmt w/ 2% CaCl₂ + 2# sand per/sx. Displace w/ 13 bbls. Pumped cmt away, waited 2 hrs & pumped 125 sx Class "C" cmt w/ 2% CaCl₂ + 2# sand per/sx. Displaced w/ 13 bbls. Pumped cmt away.

4/28/11 - Pump 125 sx Class "C" cmt w/ 2% CaCl₂ + 2# sand per/sx. Displace w/ 13 bbls. Pumped cmt away.

4/29/11 - Pump 50 bbls mud ahead of cmt & cmt w/ 200 sx Class "C" cmt w/ 2% CaCl₂ + 2# sand per/sx. Displace w/ 13 bbls. Pumped cmt away. Wait 2 hrs. Pump an additional 200 sx w/ the same recipe as the first & had the same results.

5/2/11 - Unset pkr @ 2012'. Set Whitacker 5 1/2" composite cmt retainer @ 2012', 211' above 4" liner top @ 2223'. Cmt w/ 185 sx Class "C" cmt w/ 2% CaCl₂ + 2# sands per/sx. Displaced w/ 11 bbls, left 1 bbl in tbq. Pumped cmt away. Wait 2 hrs, pump 150 sx Class "C" cmt w/ 2% CaCl₂ + 2# sand per/sx. Displaced w/ 11.5 bbls, left .5 bbl in tbq. Stung out of retainer & lost 400# on backside. Reversed out w/ no returns

5/3/11 - Pump 12 BPW down tbq. Pressure up to 800#. Released pressure & stung out of retainer. Pumped down backside but could not load it. TOH w/ wet string stinger plugged w/ cmt. TIH w/ AD-1 pkr & set @ 1981', 1 jt above retainer. Pumped 20 bbls down tbq w/ no pressure. Pumped down backside & pressure up to 500#. Unset pkr. Pumped 15 bbls & cleared tbq. Set 5 1/2" composite retainer @ 1955'. Pumped 100 sx Class "C" cmt w/ 2% CaCl₂. Displaced w/ 10 bbls. Left 1 bbl in tbq. Stung out, waited 5 min & reversed out. Did not get any cmt back from tbq.

5/4/11 - TIH w 4 3/4" shoe w/ diamonds & wires. Tag retainer @ 1955'. Drill 6" & retainer fell. Chased it down to 2012', drill another 12" & TOH w/ no recovery. Drill 12". Recovered top retainer & collar from btm retainer. TIH & set AD-1 pkr @ 1981'. Pump 30 BPW down tbq @ 2 BPM w/ no pressure. Well on vacuum. Unset pkr & TOH.

5/5/11 - TIH w/ 5 1/2" cast iron cmt retainer to 1981'. Pump 15 BFW ahead & set retainer. Lead w/ 5 BFW & cmt w/ 150 sx Class "C" cmt w/ 2% CaCl₂. Displace w/ 2 bbls. Left 9 bbls cmt in tbq, Got 2 bbls of cmt back.

5/6/11 - MU 4 3/4" shoe smooth OD w/ cutrite on btm. TIH & tag @ 1981'. No cmt on top of retainer, drill 6" & retainer fell to 2nd retainer @ 2012'. Drill 6" on 2nd retainer & it fell to 2206'. TOH w/ shoe & recovered 1st retainer & composition ring from 2nd. TIH w/ shoe & drill from 2206' - 2211'. Recovered parts of 2nd retainer & cmt core. TIH w/ 4 3/4" bit & drill cmt from 2211' - TOL @ 2223'. Tested liner top to 500# for 30 min. Test ok. Circ.

5/10/11 - TIH to top of 4" liner @ 2223'. Drill from 2223' - 2795'. TOH w/ tooth bit & PU 3 3/8" mill to drill shoe. TIH & tag up @ 2225', tried to work but could not. Work magnet from 2225' - 2227'. No recovery. TIH w/ 3 3/8" taper mill. Tag @ 2225'. Work swivel 2225' - 2226'. TIH w/ blade mill & tag @ 2225'. Drill from 2225' - 2227'. Fell through. Drill from 2795' - 2822'. Circ hole clean.

5/16/11 - Run CNL & CBL. Loggers TD 2820'. Showed liner top @ 2223'. Perf from 2805' - 2819', 14', 2 SPF, 28 holes. TIH w/ AD1 pkr & 20 jts of 2 3/8" tbq & 68 jts 2 7/8" tbq. Set pkr @ 2772'. Tested csg to 500# for 30 min. Tested okay.

5/17/11 - Moved pkr up to 2742' & tested to 500#, test okay. Pumped 1500 gals 7 1/2% acid. Dropping 5 balls every 3 bbls. Max psi whole pumping 770#, SD psi 440# psi, in 5 min 370# psi, in 10 min 325# psi, in 15 min 280# psi. Waited 30 min & bled off psi. Well flowed approximately 1 bbl. Started swabbing. Made 9 runs & recovered 20 bbls. Well was dry. Unset pkr & go in hole & knock off balls.

5/18/11 - Run Peak 4" arrowset pkr & 25 jts of 2 3/8" 4.7# IPC J-55 tbq w/ TDC total 810.33' & 60 jts 2 3/8" 4.7# IPC J-55 w/ RC total 1944.95'. Pump 60 bbls pkr fluid & set pkr @ 2761'. Test csg to 500# for 30 min, tested okay. Will schedule MIT test @ a later date. NDBOP & NUWH. Installed 6" 310SS nipple & Al-Br valve in tbq.

6/23/11 - Load hole w/ 43 bbls. Lost 40# in 8 min. NUBOP & TOH w/ 85 jts 2 3/8" IPC J-55 & AS1-X pkr.

6/24/11 - PU 4" RBP & TIH w/ 69 jts of 2 3/8" WS to TOL @ 2223'. Could not get RBP through liner. TOH w/ RBP. PU 3 3/8" flat mill, 4-2 7/8" DC's & 66 jts of 2 3/8" WS. Work mill through liner top @ 2223'.

6/27/11 - Work mill through liner top @ 2223'-2248' & did not tag. PU 4" bull plugged sub & 4" arrowset pkr & TIH. Went through liner top @ 2223' & did not tag. Continued TIH & set pkr @ 2810'. Unlatch pkr & TOH.

6/28/11 - PU 4' 2 3/8" perf sub, 4" arrowset pkr & TIH w/ 70 jts of 2 3/8" WS. Set pkr @ 2250'. Pump down tbq & test 4" liner. No test. Closed pipe rams & test from 2250' up to 500# on csg, tested ok. TOH w/ pkr & remove perf sub. PU on/off tool & TIH to 2772'. Latch onto RBP & release RBP. Move up to 2742'. Set RBP & get on/off tool. Come up to 2710' & get pkr. Test RBP to 500#, ok. Release pkr & test csg to 500#, ok.

6/29/11 - PU AD1 pkr & TIH w/ 2 3/8" WS. Set pkr @ 2737'. Load hole w/ 23 BPW.

7/30/11 - PU 2 3/8" J-55 sub & install on btm of 4" AS1-X inj pkr for guide. TIH w/ 24 jts of 2 3/8" 4.7# J-55 IPC w/ TDC & 60 jts of 2 3/8" 4.7# J-55 IPC w/ RC. NDBOP, pump 60 bbls pkr fluid. Set pkr @ 2737'. NUWH. Ran MIT for 30 mins. Test csg to 550# to 560#. Tested ok. Original chart will be sent to OCD Hobbs & a copy of chart sent to BLM. RD. Well is shut in waiting on injection line.

