

Submit 1 Copy 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
 October 13, 2009

RECEIVED
 OIL CONSERVATION DIVISION
 NOV 30 2011
 HOBSUCD
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-005-01063
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Drickey Queen Sand Unit
8. Well Number 44
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 Gas Well Other Injection

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 D : 660 feet from the N line and 660 feet from the W line
 Section 15 Township 14S Range 31E NMPM County Chaves

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 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: Change P&A procedure <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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

- RIH w/strip gun & perf (4) through tbg @ 1960'. Establish injection rate down 2 3/8" tbg.
 - Back off 2 3/8" tbg @ roughly 1810'. POOH w/ 2 3/8" tbg.
 - RIH w/ pkr & set in 5 1/2". Sqze 40 sx class C & displace no deeper than 1760'. POOH w/ pkr, RIH w/ BP & PS & tag TOC after 4 hrs WOC. Circ hole w/ min 9.5 ppg salt mud.
 - Perf (4) @ 1308'. RIH w/ pkr & sqze 50 sx Class C. Displace no deeper than 1180'. POOH w/ pkr, RIH w/ BP & tag TOC after 4 hrs WOC.
 - Pressure test csg to 250 psi.
 - Perf (4) @ 225'. RU to 5 1/2" csg & circ to surf. Fill 5 1/2" & annulus with min 100 sx Class C.
- All cmt is Class C w/ 2% CaCl2.
 - Minimun 9.5 ppg salt mud between plugs.

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 11/30/2011

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

For State Use Only
 APPROVED BY: [Signature] TITLE STAFF MGR DATE 11-30-2011
 Conditions of Approval (if any):

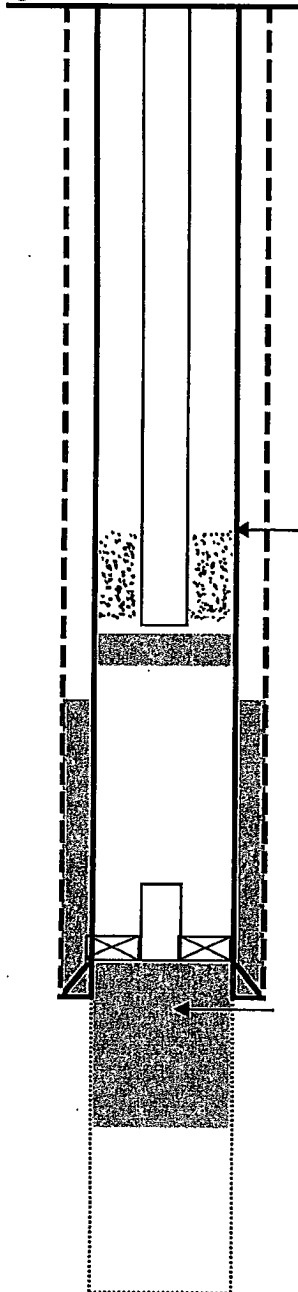
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Nov. 29, 2011
BY: MWM
WELL: 44
STATE: New Mexico

Location: 660' FNL & 660' FWL, Sec 15D, T14S, R31ECM
SPUD: 6/53 COMP: 6/53
CURRENT STATUS: Work in progress
Original Well Name: Zimmerman #1

KB = 4245'
GL = 4235'
API = 30-005-01063



T-Rustler Anhy @ 1180'
T-Salt @ 1308'
B-Salt @ 1950'
T-Yates @ 2085'
T-Queen @ 2826'

Tubing free at 1840'
Spotted 30 sx of cement with end of tubing at 2687'; picked up end of tubing to 2198'. 28 of 30 sx cement in 2-3/8"-by-5-1/2" annulus.
End of tubing at 2198'. Tagged cement below tubing at 2240'(WL). Could not pump below tubing with 1500 psi.

TOC calc'd @ 2421' w/enlargement = 15%; yld = 1.26 ft³/sk

Tubing stub at 2718'; tubing washed over to 2729'. Tubing cleaned out to 2800' w/1-3/4" mill

Tension packer @ 2840'

25 sx pumped through tubing and tagged through tubing at 2727'
5-1/2" 15.5# @ 2868' w/100 sx
Queen Open Hole: 2868' - 2899' (6-53)
Cmt plug set @ 2900' PBD - no other data on size of plug.

PBTD - 2900'
TD - 4139'

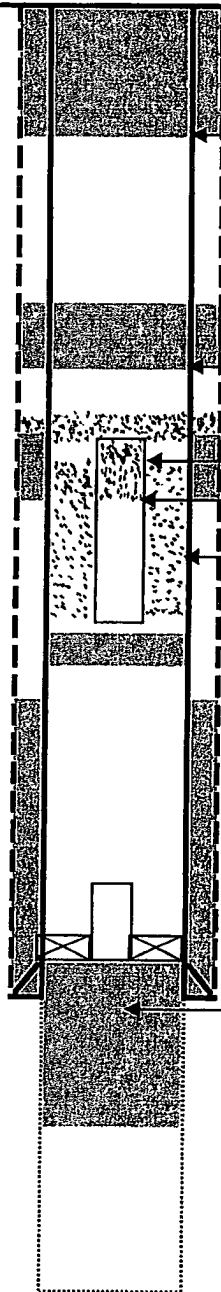
CELERO ENERGY

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LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Nov. 29, 2011
BY: MWM
WELL: 44
STATE: New Mexico

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 SPUD: 6/53 COMP: 6/53
 CURRENT STATUS: Work in progress
 Original Well Name: Zimmerman #1

KB = 4245'
GL = 4235'
API = 30-005-01063



Perf(4) at 225', fill 5-1/2" and annulus back to surface with 100 sx.

T-Rustler Anhy @ 1180'
 T-Salt @ 1308'
 B-Salt @ 1950'
 T-Yates @ 2085'
 T-Queen @ 2826'

Perf(4) In 5-1/2" at 1308', squeeze 50 sx, tag at/above 1180'

Leave tubing stub at roughly 1800'

Tubing free at 1840'

Perf(4) through-tubing at 1960', displace 40 sx and tag at/above 1850'

Spotted 30 sx of cement with end of tubing at 2687'; picked up end of tubing to 2198'. Roughly 28 of 30 sx cement in 2-3/8"-by-5-1/2" annulus.
 End of tubing at 2198'. Tagged cement below tubing at 2240'(WL). Could not pump below tubing with 1500 psl.

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