

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

HOBBS OCD
JUL 31 2012

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.	30-005-01105 ✓
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	West Cap Queen Sand Unit ✓
8. Well Number	14 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Caprock; Queen

SUNDRY RECEIVED 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 Injector

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 H : 1980 feet from the North line and 660 feet from the East line
 Section 20 Township 14S Range 31E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

ATTENTION TO: <input type="checkbox"/> ABANDON <input type="checkbox"/> LIABILITY UNDER BOND IS RETAINED PENDING RECEIPT OF C-103 (SPECIFICALLY FOR SUBSEQUENT REPORT OF WELL PLUGGING) WHICH MAY BE FOUND AT OCD WEB PAGE www.emnrd.state.nm.us/oed <input type="checkbox"/> DOWNHOLE <input type="checkbox"/> OTHER:	<input type="checkbox"/> REMEDIAL WORK <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER:	<input type="checkbox"/> ALTERING CASING <input checked="" type="checkbox"/> P AND A <input type="checkbox"/>
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13. Describe proposed or completed operation (state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7/5 - 7/11/12

CMT W/ 60 SX CL "C". WOC. RIH W/ JET CUTTER TO 2280' & CUT OFF TBG. PUMP 20 SX CL "C". TIH W/ BS, 3 7/8" BIT & TAG @ 2092'. CIRC MUD & TOH. SHOOT 6 SPF @ 2017'. P/U AD-1 PKR. TIH TO 1709', SQUEEZE 40 SX CL "C", DISP W/ 10 BBLs MUD. SIP 800#. WOC. UN-SEAT PKR & TOH. P/U PS & BP. TIH & TAG @ 1900'. CIRC MUD TO 1565' & TOH. TIH W/ 3 7/8" BIT & SCRAPER TO 1400'. CIRC HOLE CLEAN & TOH. SHOOT 4 SPF @ 1565'. P/U AD-1 PKR. TIH TO 1201', PKR WOULD NOT SET. AS PER OCD LWRD TBG TO 1615'. PUMP 40 SX CL "C", DISP W/ 4 BBLs. TOH & WOC. P/U PS & BP. TIH & TAG @ 1462', CIRC MUD TO SURF, PRESSURE UP TO 300#, PLUG HELD. TOH. SHOOT 4 SPF @ 299'. TIH OE TO 349', ESTB CIRC ON 8 5/8" X 4 1/2", 15 BBLs TO CIRC. PUMP 166 SX CL "C", TOT SX TO FILL AND TOP OFF CSG. CIRC 8 5/8 X 4 1/2" FULL TO SURF & 4 1/2" CSG FULL TO SURF. LD TBG, NDBOP & TOP OFF 4 1/2" CSG. NUWH. SET MARKER & RECLAIM LOCATION.

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 07/30/2012

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

For State Use Only
 APPROVED BY: [Signature] TITLE Dir DATE 8-2-2012
 Conditions of Approval (if any):

AUG 02 2012