

Submit 3 Copies 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  
 May 27, 2004

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

|   |
|---|
| WELL API NO.<br>30-025-00304  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>303735  |
| 7. Lease Name or Unit Agreement Name<br>Rock Queen Unit   |
| 8. Well Number 68   |
| 9. OGRID Number<br>247128   |
| 10. Pool name or Wildcat<br>Caprock Queen   |

**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 B: 1980 feet from the East line and 660 feet from the North line  
 Section 30 Township 13S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4382' KB

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

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"/>         |
| WELL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>                     |  |
| OTHER: <input type="checkbox"/>                |   | OTHER: Reactivate Injector <input checked="" 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/12/2007 to 11/16/2007

POH w/ 2 3/8" IPC injection tubing and packer. Pressure tested 7" casing @ 2958' to 530 psi, tested OK. CO well to TD @ 3062' and DO well to new TD @ 3084' to evaluate Queen interval. Logged well w/ GR/CCL/CN/CBL logs. TOC @ 2026'. Ran 2 3/8" 4.7# J-55 IPC injection tubing and Arrowset 1-X injection packer. Set packer @ 2974'. Acidized Queen sand open hole w/ 2000 gal 7 1/2% HCl acid and 1000# Rock salt in four stages @ 3.5 BPM and 1350 psi STP. Returned well to injection.

WFX-119

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCDC guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Haylie Urias TITLE Operations Tech DATE 1/4/08

Type or print name Haylie Urias E-mail address: hurias@celeroenergy.com Telephone No. 432-686-1883 Ext. 120

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 14 2009  
 Conditions of Approval (if any):