

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
NOV 19 2010
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSOCD

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.)		WELL API NO. 30-005-29149
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Celero Energy II, LP		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name Rock Queen Unit
4. Well Location Unit Letter D : 580 feet from the N line and 720 feet from the W line Section 26 Township 13S Range 31E NMPM County Chaves		8. Well Number 305
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4418' GR		9. OGRID Number 247128
		10. Pool name or Wildcat Caprock; Queen

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

11/11/10 - Spud @ 6:00 am. Drill to 345'. Run csg as follows: 9 jts 8 5/8", 24#, 345' set @ 342', 1 guide shoe, 1 float collar & 4 centralizers Pump cmt plug down @ 4:00 P.M. Cmt w/ 270 sx of Class "C", 2% CaCl2 + .125# celloflake, .25% R-38. Circulated 35 sx cmt. WOC.

11/12/10 - Drill cmt, tag cmt @ 300'. Drl to 2,088'.

11/13/10 - Drill 7 7/8" hole from 2088' to 2922'.

11/14/10 - Drill 7 7/8" hole to 3,130'. Run 5 1/2" cag as follows: 82 jts of 5 1/2", 15.5#, J-55 (3,132'), LT&C T/ 3,129'. 1- Guide shoe, 1 float collar & 20 cent.

11/15/10 - Pump cmt as follows: Lead: 500 sx 50/50 Class "C" w/ 10% gel, 5% salt, .25% R-38. Tail: 300 sx 50/50 Class C w/ 2% gel, 5% salt, .25% R-38 Plug down @ 07:30 A.M. 11-14-2010. NDBOP & set slips, circ 64 sx to surface. NUWH. Release rig @ 13:30 hrs.

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 11/18/2010

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

NOV 22 2010

Conditions of Approval (if any):