

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 28 2011

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

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.

5. Lease Serial No.

NM-03927

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

☐ Oil Well

☐ Gas Well

☒ Other

WJ

8. Well Name and No.

Drickey Queen Sand Unit #9

2. Name of Operator

Celero Energy II, LP

9. API Well No.

30-005-00900

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)

660' FSL & 1980' FWL

(N) Sec 34, T13S, R31E

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.)

2/21-3/1/11

MIRU. PU 4 3/4" bit, BHA & TIH w/91 jts 2 7/8" WS. Tag @ 3021'. Drl from 3021-3075' w/ no returns. TOH. PU 9' bailer, 6' sub & TIH. Tag @ 3075'. Recovered bit cone. TIH w/ 2nd bail & sub. Tag @ 3075'. C/O hole @ 3075'. TOH & run in w/ AD-1 pkr & 93 jts 2 7/8" WS. Set @ 2943'. Test csg 500# psi. No test @ 2943'. Re-set pkr @ 2433'. No test. Re-set pkr @ 1484'. No test. TOH w/ AD-1 pkr. ND. Repair leaks @ BOP. NU, TIH w/ 98 jts of 2 7/8" WS to 3076' w/ impression block. TOH. No impression. Showed sign of parted csg on side of block. TIH w/ 94 jts of 2 7/8" WS, RBP & arrow-set pkr. Set RBP @ 2900'. Test @ 2900'. No test. Pumped 75 bbls. Second test 2846', test good. Third test 2878', test good from 2878' to surface. Release pressure, retrieve RBP & TIH w/ same. Run CIL from btm of csg to surface. Run CBL from btm 2900' to 1980'. Coordinate to run 4" flush jt liner. TIH w/ 4 3/4" bit, bit sub & 98 jts of 2 7/8" WS. Tag @ 3076'. Displace w/ 85 BFW & TOH. Run 4" duplex shoe & 510' (13 jts) 4" UFJ top of liner @ 2558'. TIH w/ 17 jts of 2 3/8" WS & sting into liner & TIH w/ 81 jts of 2 7/8" WS to 3068'. Tried to pump csg down but would not go. Pump 100 sx Class "C" cmt w/ 2% CaCl2. Sting out of duplex shoe & TIH to wait on cmt 3 hrs. PU bit, bit sub, 6- 3 1/2" DC's, 75 jts 2 7/8" WS & TIH. Tag liner @ 2558'. TOH. PU AD-1 pkr & TIH w/ 74 jts of 2 7/8" WS. Set pkr @ 2332'. Establish circ rate @ 2.75 BPM w/ 75# psi. Squeeze 200 sx Class "C" cmt w/ 2% CaCl2 & 3# sand per sx. Psi while pumping cmt 100# psi. Wash line & pumped 14 bbls displacement. Starting psi 100#, fell off to 50# psi. Pressure fell to 0 after pumping 7 bbls of displacement. Pump 5 bbls @ 50# psi. *Continued on attached sheet

WFX-79

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 03/24/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Drickey Queen Sand Unit #9 – C103 attachment

3/2/11 - TIH to tag cmt. Did not tag. PU 32A pkr & TIH w/ 73 jts of 2 7/8" WS. Set pkr @ 2305'. Fill backside w/ 33 bbls. Establish circ rate @ 2.5 BPM w/ 450# psi.

3/3/11 - Pump 200 sx Class "C" cmt w/ 2% CaCl₂ w/ 3# sand per sx. Establish injection rate @ 2.5 BPM @ 300# psi. Pump 4 bbls cmt, pressure dropped to 200# psi @ 2.5 BPM. Started displacement w/ 2.5 BPM & 0# psi. Pressure increased to 100# psi after 8 bbls. Slowed rate to 1.5 BPM, psi stayed @ 100#. Slowed rate to 1 BPM, psi stayed @ 100#. Slowed rate to .5 BPM, psi rose to 150#. SI w/ 150# psi, waited 20 min & pumped .5 bbls, psi rose to 350#. Waited 20 min & pumped .5 bbls, psi 850#. Waited 20 min & pumped .5 bbls, psi 1000#. Total 16.5 displacement, 3 bbls from TOL. Held 1000# psi for 3 hrs. Released pressure & TOH. LD pkr. PU perf sub & TIH w/ 76 jts of 2 7/8" WS & tagged @ 2388', 168' from TOL.

3/4/11 - TIH w/ BHA & 70 jts of 2 7/8" WS. Tag cmt @ 2388'. Drl cmt from 2388' to 2556'. Test TOL to 500# psi, held pressure for 30 min. TOH w/ 76 jts of 2 7/8" WS & BHA. Strap & PU 2 7/8" DC's & 3 3/8" bit.

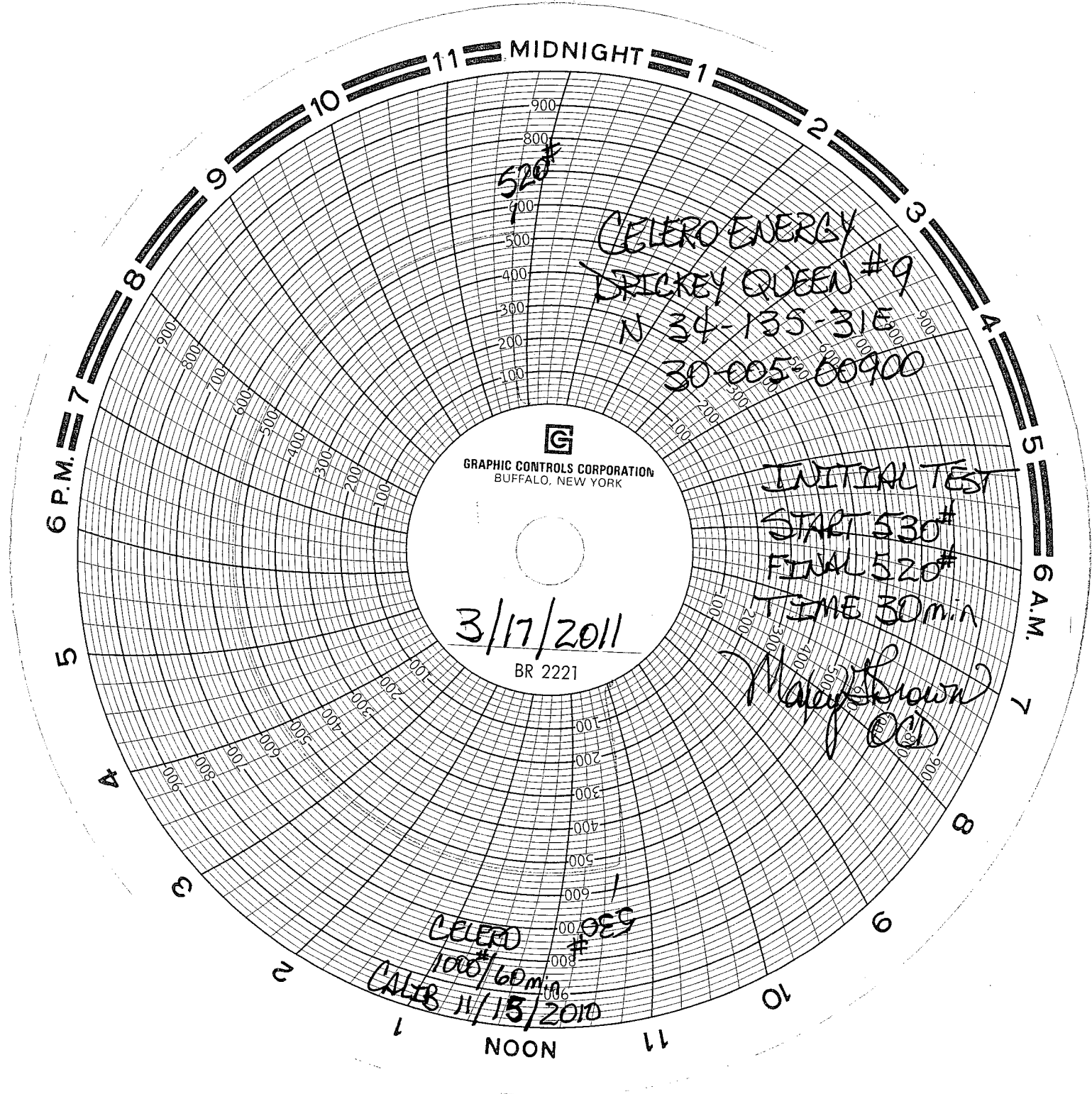
3/7/11 - Drl 22', fell through to 3068'. Tag shoe. PU 6' above shoe & circ 85 bbls. Test csg to 500# psi. Held 30 min w/ no loss. Run CBL & CNL.

3/8/11 - Perf from 3045' to 3060' @ 2' SPF. TIH w/ AD-1 tension pkr, 2 3/8" WS & 2 7/8" WS. Set pkr @ 2961'. Acidz w/ 1500 gal acid, 7 1/2% HCL w/ gelled brine & salt for diversion. Pumped in 2 stages. Max pressure while adding salt 20 psi. Well went on vacuum. Made 10 swab runs. Recovered 7 bbls. Made 2 more runs w/ no recovery.

3/9/11 - Unseat pkr. LD 2 7/8" WS & 2 3/8" WS. LD 3 1/2" DC's. Strap 95 jts INJ string. TIH 91 jts 2 3/8" 4.7# J-55 8rd EUE IPC tbg TDC & plastic coated AD-1 pkr. Set pkr @ 2962', 83' above top perf. Pump pkr fluid. Load hole w/ 52 bbls. Pressure up to 500# psi, lost 250# in 5 min. Tried to unseat pkr to move up 1', pkr would not re-set. TOH w/ pkr.

3/10/11 - PU 3 3/16" shoe w/ wires & 2 3/8" & 2 7/8" WS. TIH to 3063'. Work over pkr rubbers & TOH. Recovered 2 pkr rubbers. LD shoe & TIH w/ WS, LD same. TIH w/ AD-1 plastic coated pkr & 92 jts 2 3/8" 4.7# J-55 IPC w/ TDC. Pump pkr fluid & set pkr @ 2992'. Test csg to 500# psi for 30 min w/ 2# psi lost. ND & set slips w/ 10,000 tension. Install 6" 316SS nipple & AL-BR valve.

3/17/11 – Ran MIT. Tested for 30 min. Pressure tested from 530# to 520#. Good test & witnessed by Maxey Brown w/OCD. Original chart sent to OCD Hobbs & copy sent to BLM Roswell. Well is SI while waiting on battery to be built.



520*

CELERO ENERGY
BRICKEY QUEEN #9
N 34-135-31E
30-005-00900

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

3/17/2011

BR 2221

INITIAL TEST
START 530#
FINAL 520#
TIME 30min

Mary Brown
OCD

CELERO
1000# / 60min
CALIB 11/15/2010
NOON