

DATE IN 01/30/2014	SUSPENSE	ENGINEER PRG	LOGGED IN 02/03/14	TYPE IPI	APP NO. PPRG 1404129178
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED
 2014 JAN 30 A 9:53

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☒ IPI ☐ EOR ☐ PPR

- [D] Other: Specify R-1541-B / WFX-73

Celero Energy
LP II
Rock Queen Unit #19
30-005-00820

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

M. W. Metza

M. W. Metza

Sr. Production Engineer

27 Jan 14

Print or Type Name

Signature

Title

Date

mmetza@celeroenergy.com
 e-mail Address



CELERO ENERGY II, LP

400 West Illinois, Suite 1601 Midland, Texas 79701 (432)686-1883

TO: NMOCD
Attn: Mr. Phillip Goetze
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Injection Pressure Increase
Rock Queen Unit no. 19
Chaves County, NM

Dear Mr. Goetze

Enclosed is a copy of a step rate injection test which was recently completed on Celero Energy's Rock Queen Unit well number 19. Celero is requesting permission to increase the maximum surface injection pressure while injecting produced water to 1100 psi and to 1450 psi while injecting carbon dioxide. Current injection pressures on produced water and carbon dioxide are limited to 800 psi and 1200 psi, respectively. The injection pressure limits of 800 psi and 1200 psi are unit-wide limits which were set by Order No. R-1541-B dated December 13, 2010, which approved Celero's requested surface injection pressure limits for wells subsequently permitted for injection.

The original well was drilled and completed in 1955 in the Queen formation. A 4-1/2" liner was installed in 1961 when the well was converted to water injection. It remained a water injection well until 1986 when it was shut in. In April, 2013, Celero Energy attempted to return the well to injection and ultimately sidetracked the well through casing at 2807' due to accumulated junk in the hole. Casing was set in the sidetrack hole, the Queen Formation was perforated and acidized with 1500 gallons of 15% HCL, and the well was returned to injection in July, 2013. Since then, Celero has operated the well by alternating injection with a subsequent shut-in period when injection pressure reaches our permitted limit. ~

Please contact M. Metza at 432-556-0829 (cell) if any additional information is required. Thank you in advance for your attention to Celero's request.

Very truly yours,

M. W. Metza 27 JAN 14
M. W. Metza



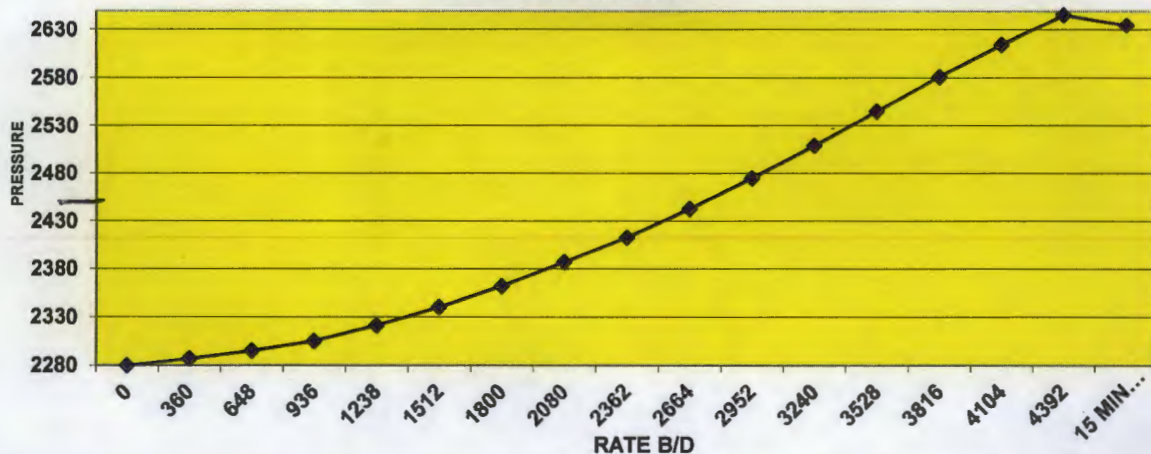
STEP RATE TEST

graywsi2@aol.com

RATE B/D	Date	Time	BH PRESS	SURF. PRESS	Comments
0	10/23/2013	9:20 AM	2280	720	
360	10/23/2013	9:40 AM	2287	740	
648	10/23/2013	10:00 AM	2295	770	
936	10/23/2013	10:20 AM	2305	790	
1238	10/23/2013	10:40 AM	2321	825	
1512	10/23/2013	11:00 AM	2340	880	
1800	10/23/2013	11:20 AM	2362	925	
2080	10/23/2013	11:40 AM	2387	975	
2362	10/23/2013	12:00 PM	2413	1015	
2664	10/23/2013	12:20 PM	2443	1100	
2952	10/23/2013	12:40 PM	2475	1190	
3240	10/23/2013	1:00 PM	2509	1250	
3528	10/23/2013	1:20 PM	2545	1375	
3816	10/23/2013	1:40 PM	2581	1450	
4104	10/23/2013	2:00 PM	2614	1550	SOFT FRAC
4392	10/23/2013	2:20 PM	2646	1675	
15 MIN FALLOFF	10/23/2013	2:35 PM	2635	1080	

Company:	CELERO	Recorded By:	T. STANCZAK
Well:	ROCK QUEEN # 19	Witnessed By:	WAUHOB
Field:	CAPROCK	Truck Number:	104
County:	CHAVES	District:	LEVELLAND
State:	NEW MEXICO	Tool Number:	
Injection:	WATER	Test Type:	STEP RATE TESTS
Shut In Time:	2:20 PM	POSSIBLE SOFT FRAC POINT @ 4104 B/D SURF. PRESS @ 1550 PSI BH PRESS @ 2614 PSI	
Total Shut In Time:	15 MIN.		
Tubing Size:	2 3/8		
Perforations:	3058'-3072'		

RATE VS. PRESSURE



CELERO

ROCK QUEEN # 19

October 23, 2013

JOB INFORMATION SHEET

Company Information	
Company Name:	CELERO
Address:	400 WEST ILLINOIS, SUITE 1601 MIDLAND, TX 79701
Well Information	
Well Name:	ROCK QUEEN # 19
Field – Pool:	CAPROCK
Status:	INJECTING
Test Information	
Type of Test:	STEP-RATE TEST
Gauge Depth:	3035 ft
Production Interval:	3058'-3072'
Production Through:	TUBING
Tubing Pressure:	1675 PSI
Casing Pressure:	0 psi
Shut In Time	2:20 PM
Status:	INJECTING
Temperature @ Run Depth	88.99 degF
Surface Temperature:	66.31 degF
Comments	
POSSIBLE SOFT FRAC POINT @ 4104 B/D SURFACE PRESSURE @ 1550 PSI BH PRESSURE @ 2614 PSI	

GRAY WIRELINE

CELERO

WELL INFORMATION SHEET

Well:	ROCK QUEEN # 19	Unique Well Identifier:	30-005-00820
Well License:			
Company:	CELERO		
Field	CAPROCK		

Location:	County:	CHAVES
Formation:	State:	NM
Purpose:	Country:	USA

Total Depth:	3085'	ID Borehole:	N/A
Packer Depth:	3006'	ID Production Casing:	3.5"
Depth of whipstock:	2870'	OD Production Tubing:	2.375"
Depth at which casing is landed:	3077'	ID Production Tubing:	2"
Depth at which tubing is landed:	3006'	ID Drill Pipe:	N/A

GRAY WIRELINE

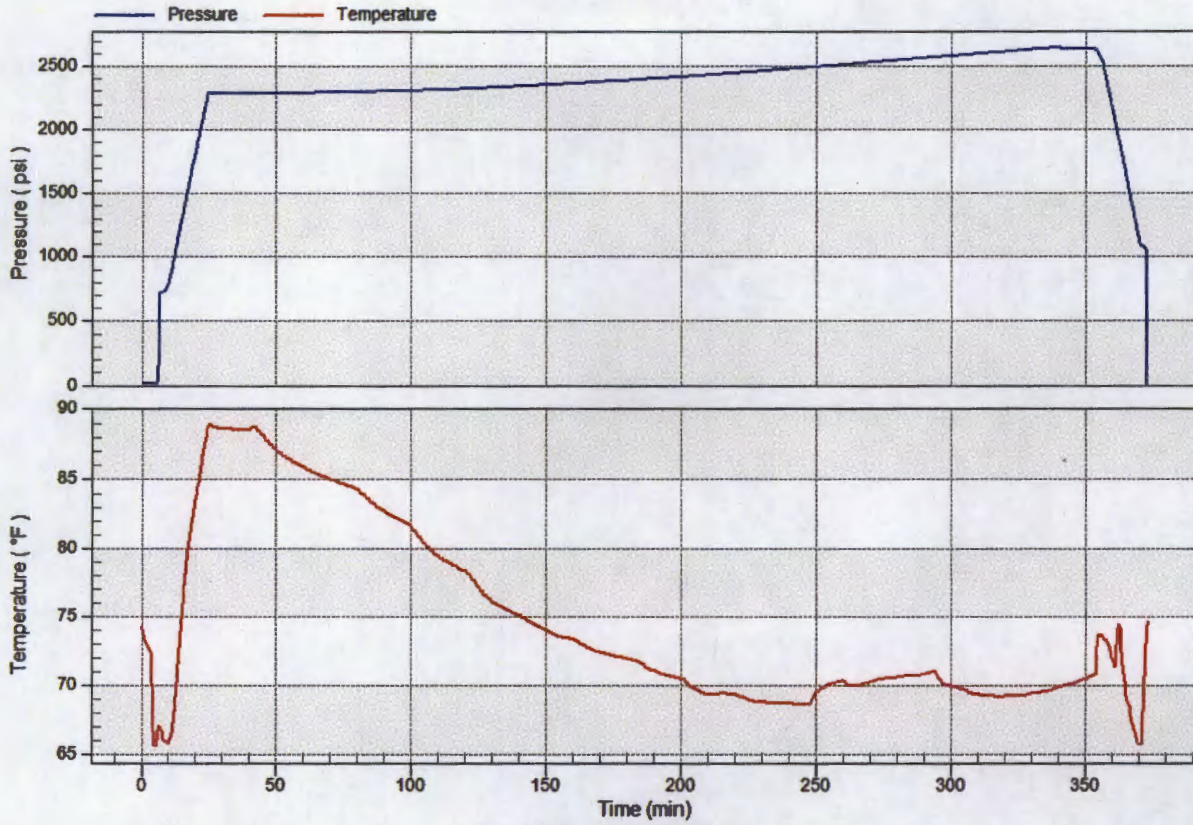
Gradient Data Report

CELERO
ROCK QUEEN # 19

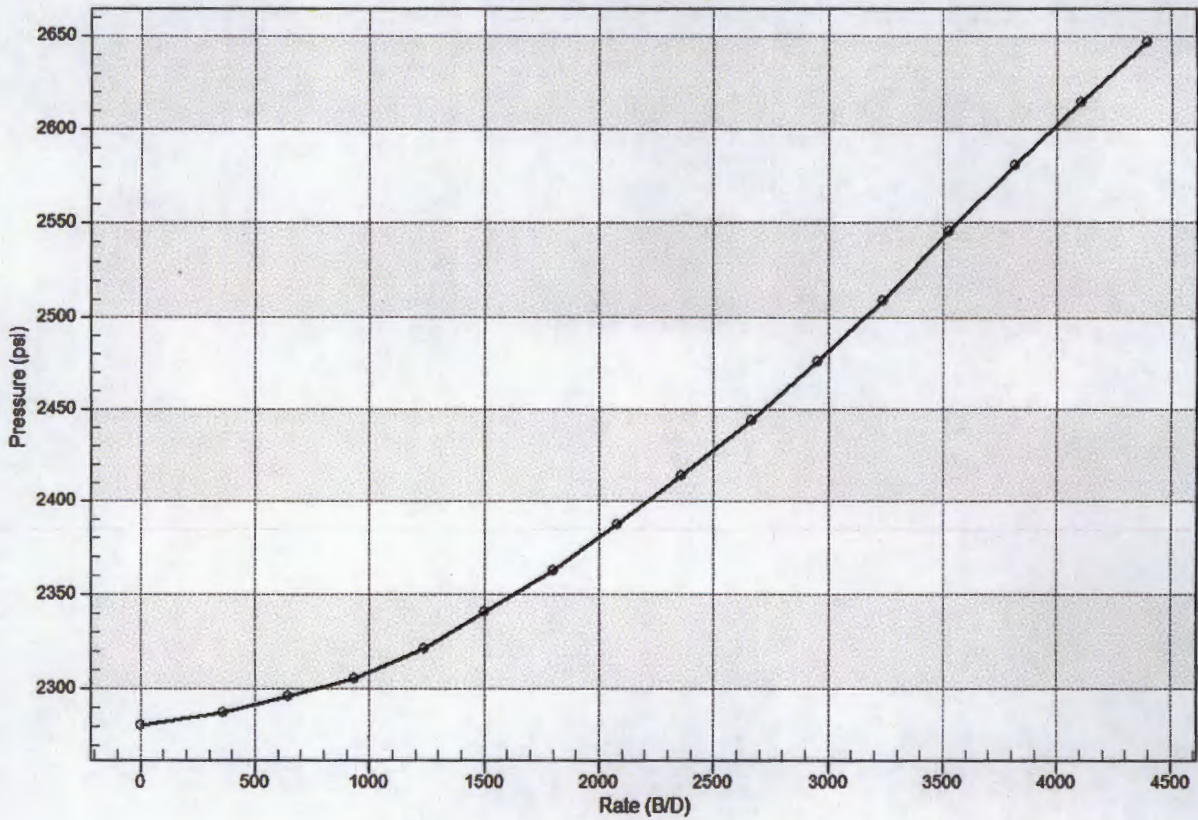
Gradient Data Table

Rate b/d	Pressure psi	Temperature degF	Gradient psi/rate
0.00	2280.96	88.61	0.0000
360.00	2287.86	85.99	0.0192
648.00	2295.94	84.38	0.0280
936.00	2305.77	81.72	0.0341
1238.00	2321.24	78.38	0.0512
1502.00	2340.75	75.14	0.0739
1800.00	2362.78	73.39	0.0739
2080.00	2387.42	72.01	0.0880
2361.00	2413.66	70.51	0.0934
2664.00	2443.70	69.36	0.0992
2952.00	2475.56	68.73	0.1106
3240.00	2509.13	70.33	0.1166
3528.00	2545.66	70.60	0.1268
3816.00	2581.05	69.94	0.1229
4104.00	2614.54	69.24	0.1193
4392.00	2646.73	69.83	0.1016

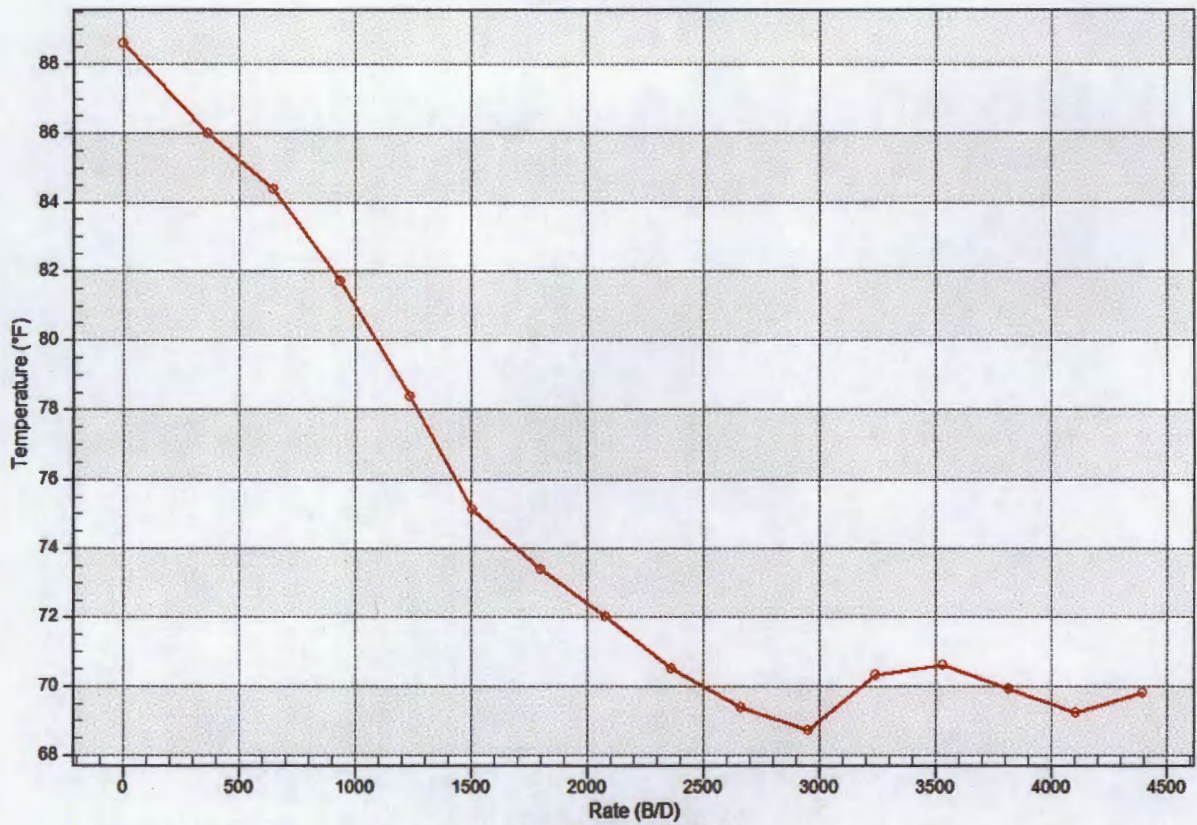
ROCK QUEEN # 19



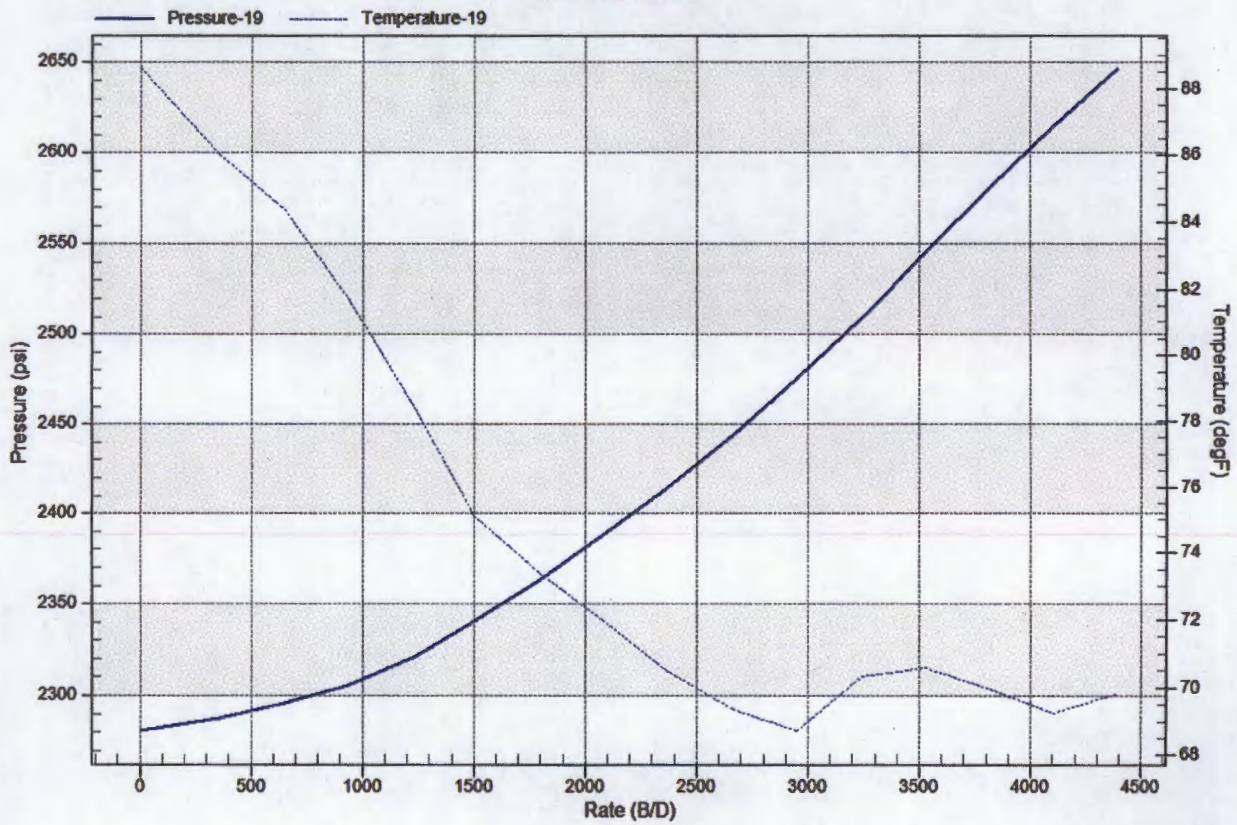
Pressure vs. Rate



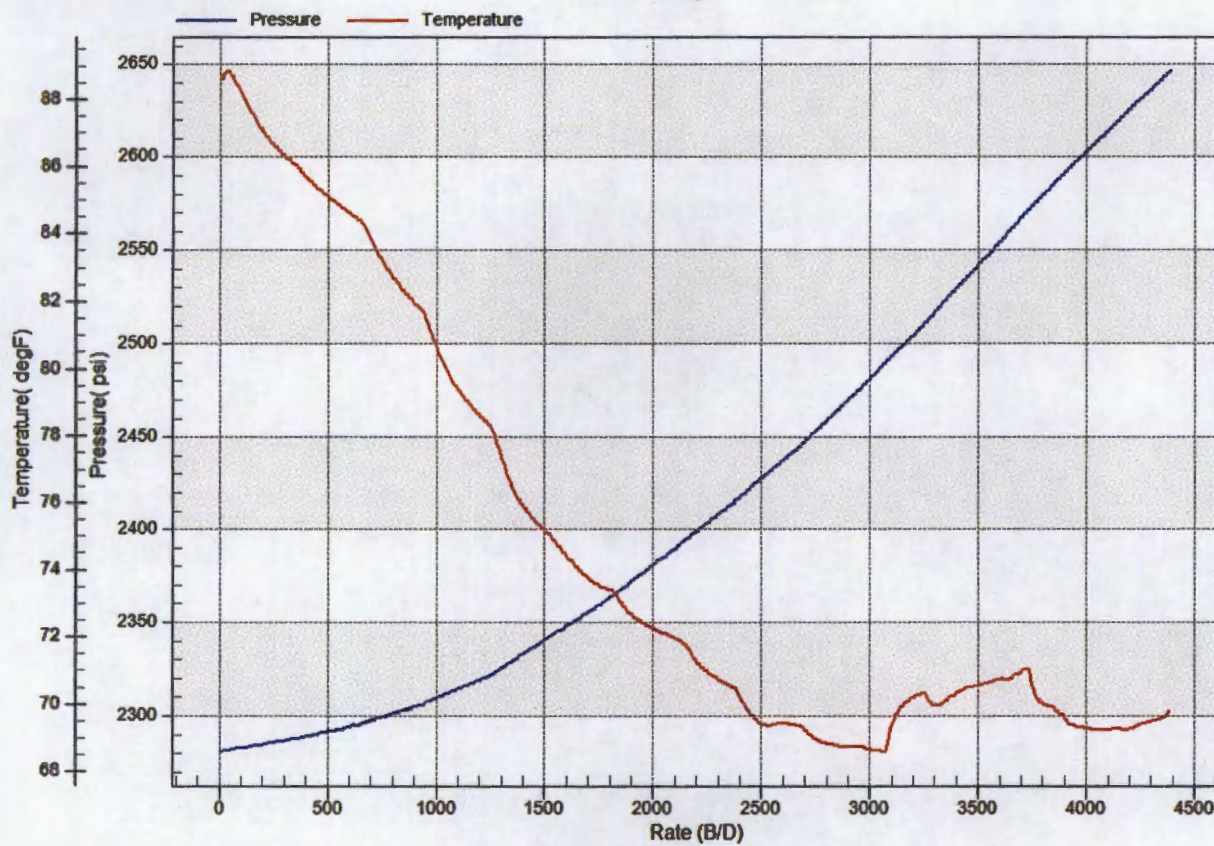
Temperature vs. Rate



Pres/Temp vs Rate



Pressure Log



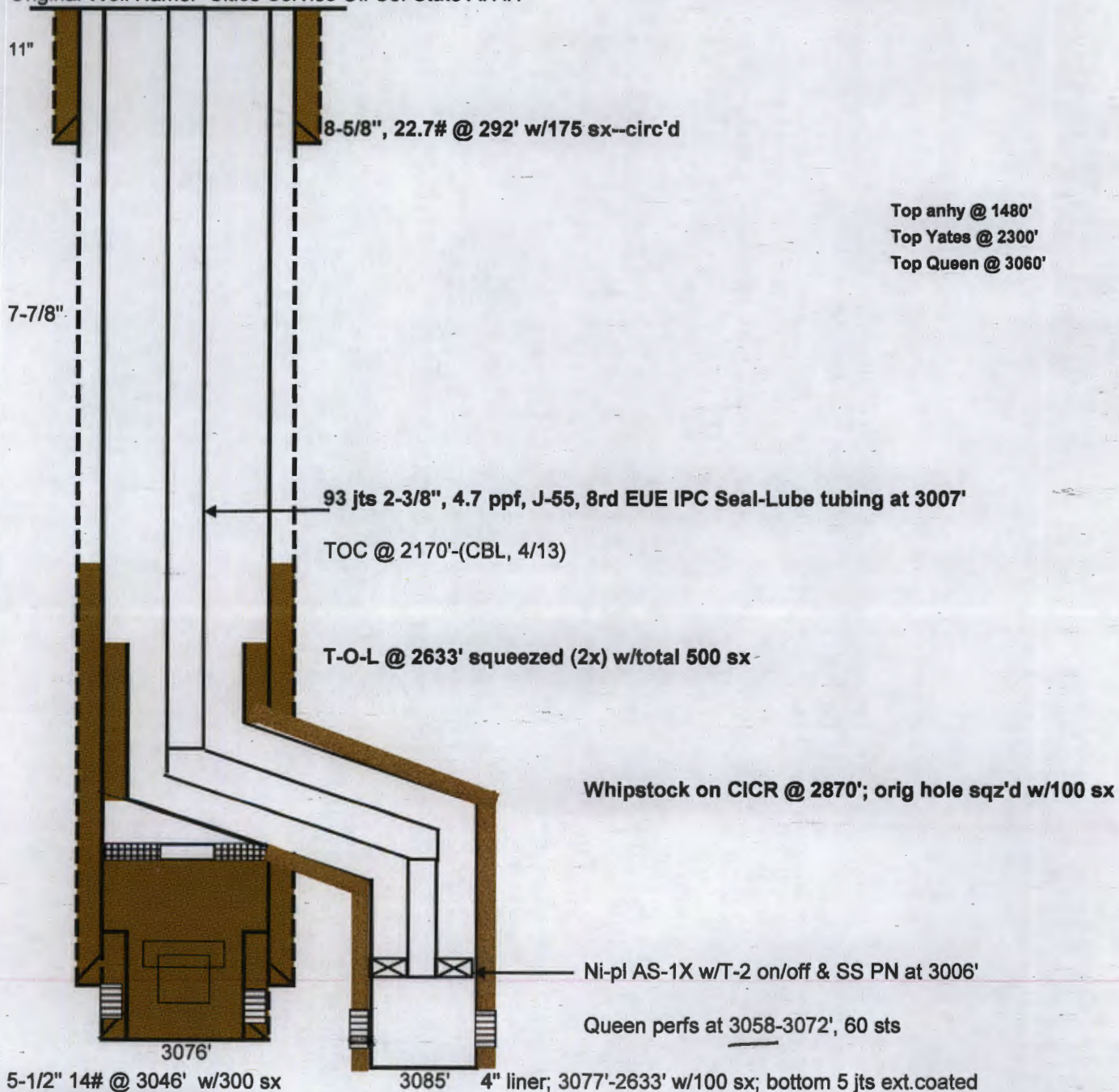
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Rock Queen Unit
COUNTY: Chaves

DATE: 6-May-13
BY: MWM
WELL: 19
STATE: New Mexico

Location: 1980' FSL & 1980' FEL, Sec 23J, T13S, R31E
SPUD: 9/55 COMP: 9/55
CURRENT STATUS: SI Injector
Original Well Name: Cities Service Oil Co. State AH #7

KB = 4,415'
GL =
API = 30-005-00820



5-1/2" 14# @ 3046' w/300 sx

Top of Queen @ 3060'

Queen Open Hole: 3060' - 3076' (9-55)

4-1/2" liner at 3009'-3072' w/50 sx

Perf 3051'-3059', 4SPF, (2-61)

Probable 2 jts 2-3/8" TP w/3', 3-3/4" W-O-S; top at 3015'