

HOBBS OCD

JUN 21 2011

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-00871

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number

42

9. OGRID Number

247128

10. Pool name or Wildcat

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 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 : 660 feet from the East line and 1980 feet from the North line
Section 26 Township 13S 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

NOTICE OF INTENTION TO:

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

SUBSEQUENT REPORT OF:

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

1. Tag TD & spot 25 sx cmt.
2. RIH w/ bit & tag.
3. Cut 4" csg @ 2780' +/- & recover.
4. Set CIBP & roughly 2770' & cap w/ 25 sx.
5. Perf 4 at 2195'. Run pkr & sqze 40 sx. Tag TOC at or above 2095'.
6. Perf 4 at 1540'. Run pkr & sqze 40 sx. Tag TOC at or above 1440'.
7. Perf 4 at 356'. Pump minimum 100 sx to fill 5 1/2" csg & 5 1/2" by 8 5/8" annulus.
8. Cut of WH, set P&A marker & reclaim location.

"All cmt is class C w/ 2% CaCl₂. Minimum 9.5 ppg salt mud between plugs."THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS

Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Lisa HuntTITLE Regulatory AnalystDATE 06/20/2011Type or print name Lisa HuntE-mail address: lhunt@celeroenergy.comPHONE: (432)686-1883

For State Use Only

APPROVED BY:

Mary Brown

TITLE

Compliance Officer

DATE

6/21/2011

Conditions of Approval (if any):

JUN 22 2011

CELERO ENERGY

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

DATE: Apr. 24, 2011
BY: MWM
WELL: 42
STATE: New Mexico

Location: 1990' FNL & 660' FEL, Sec 26H, T13S, R31ECM

SPUD: 4/55 COMP: 4/55

CURRENT STATUS: Active Injector

Original Well Name: Levick State #1

KB = 4418'

GL = 4,408'

API = 30-005-00871

