

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
RECEIVED
JUL 03 2011
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
HOBBS NM 87505
Santa Fe, NM 87505

Form C-103
October 13, 2009

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. 30-025-00287
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 <u>G</u> : 2310 feet from the <u>N</u> line and 1650 feet from the <u>E</u> line Section 19 Township 13S Range 32E NMPM County Lea		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		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 ☐

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

OTHER: ☐

OTHER: Attempt to convert to monitor well ☒

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.

3/25 - 3/31/11 - MIRU. TOH w/ rods. C/O from 3067' to TD of 3097'. Circ hole clean. TIH w/ tbg WS w/ 4 1/2" AD-1 pkr. Set @ 3042', test to 550# & lost 250# in 30 sec. Reset @ 3000'. Same result. TOH w/ tbg & pkr. Clean paraffin out of BOP. TIH w/ 4 1/2" Watson pkr's 4 1/2" RBP. Set @ 3011'. Test to 550# & leaked off as before. TIH w/ tbg & pkr. Test RBP w/ 750#, held okay. Spot sand on RBP. Pull & raise pkr @ various settings. Found csg leak from 1352' - 1383'. Test to 600#. Bled off to 0# pressure in 5 min. TOH w/ pkr. TIH w/ tbg WS & retrieving head for RBP. Wash off sand, retrieved RBP & TOH. Ran 40 arm caliper magnetic CIL from surface to 3050'. Ran GR/CBL from 400' - 3050'. Perf 4 1/2" csg w/ 2 squeeze holes w/ 3 1/8" cased gun w/ 180° phasing @ 1361'. TIH w/ tbg & RBP. Ran & set @ 3017'. Pull tbg up hole to 2925'. Spot sand on RBP @ 3017'. TOH w/tbg & retrieving head for RBP. TIH w/tbg work string & 4 1/2" pkr. Ran to 3000' & test RBP to 750#. Held okay. Ran pkr to 1156'. Test tbg-cstg annulus w/ 500# & held ok. Pumped into perfs 1361' w/1000# @ 1/2 BPM. Swab tbg dry. Pump 200 gals of 7 1/2" acid into perfs 1361' @ 900# pressure & 1.8 BPM. Pump a total of 5 bbls of acid & 15 BPW. Checked 4 1/2" x 8 5/8" annulus while pumping acid & flush. No action out of this annulus. Swab tbg dry, recovering 5 BF. NDBOP & NUWH.

* Continued on attached sheet

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 06/27/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY

[Signature]

TITLE

Staff

DATE

7-5-2011

Conditions of Approval (if any):

JUL 06 2011

Rock Queen Unit #1 – C103 Continued

4/6/11 - Pkr @ 1166' & csg leak @ 1361'. Pump 8 BFW @ 1 BPM & 1000# psi. Pump 14.8 ppg w/ yield of 1.32, 100 sx Class "C" cmt w/ 2% CaCl₂. Displaced 1 bbl below pkr & started staging cmt. Displaced cmt w/ 6.5 BFW, 2.1 bbls below pkr leaving 1 bbl of cmt above hole in csg @ 1361' w/ 1300# SD psi.

4/7/11 - After WOC 20 hrs, TOH w/ tbg & pkr. TIH w/ 3 ¾" bit w/ DC's & tbg. Tag cmt @ 1278'. D/O cmt from 1278' – 1447'. Circ hole clean. Test cmt squeeze job (@ 1361') w/ 525# psi & held for 20 min okay. TOH w/ tbg & bit. TIH w/ tbg & retrieving head for RBP. Wash off sand & recovered RBP.

4/8/11 - TIH w/ 93 jts (3007') of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ 4 ½" plastic coated AD-1 tension pkr. With pkr swinging @ 3007' circ hole w/ pkr fluid. NDBOP & NUWH. Set pkr w/ 15 pts of tension.

6/21/11 - NDWH & pulled additional 10 pts tension (20 total) on pkr @ 3007'. Load annulus w/ 9 bbls of pkr fluid. Unable to get an acceptable MIT.

6/22/11 - Test tbg-csg annulus after pumping 2 bbls pkr fluid. Pressure to 500#, lost 400# in 5 min. Raise pkr up hole & found top of csg leak between 1220' & 1288'. Finish TOH. TIH w/ tbg & Watson 4 ½" RBP. Ran & set @ 3010'. Spot sand on RBP & start out of hole w/ tbg, pulling same to 2750'.

6/23/11 - TOH w/ tbg & retrieving head for RBP. TIH w/ tbg & 5 ½" pkr. Ran to 3000' & test RBP, pkr & tbg to 570#, held okay. Raise pkr & found holes in 5 ½" csg as follows. Test to 500# from 1347'-1378' & lost 80# in 5 min. Test from 1223'-1229' w/ 500# & lost 100# in 30 seconds. 4 ½" csg appears to have 2 holes in same. TOH w/ tbg & pkr.

6/24/11 - TIH w/ IPC tbg. Pull & LD 93 jts of 2 3/8" OD 4.7# 8rd EUE tbg w/ 5 ½" PC pkr. TIH w/ 93 jts of 2 3/8" 4.7# 8rd EUE J-55 WS tbg. Ran open ended to 2974'. Circ pkr fluid. NDBOP & NUWH. Prepare to send sundry to P&A well.