

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

JUL 18 2011

HOBBSOCD

WELL API NO.

30-025-05138

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Lee Whitman A

8. Well Number

4

9. OGRID Number

247128

10. Pool name or Wildcat

Denton; Devonian

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

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 : 1980 feet from the North line and 825 feet from the East line

Section 26

Township 14S

Range 37E

NMPM

County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3821' GL

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: Sidetrack around collapsed casing ☒

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. Run Gyro survey.

2. Set pkr @ 9880' & establish injection rate into csg leak @ 10,111'.

3. Set CICR @ 9800' & sqz leak w/ min 100 sx Class H.

4. Perf @ 9797' & 9749'. Run pkr to 9300' & sqz perms @ 9797' & 9749' w/ min 100 sx Class H.

5. D/O to CICR @ 9800' & run CBL. RD workover unit. RU Pinpoint Rig #12.

6. Orient whipstock, mill window & drill starter hole.

7. Run bit, bit sub & DC's on DP & drill new hole to 12,650'.

8. Run 12,650' of 5 1/2" 17#, 20# L-80 UFJ csg & cmt to surface. RD Pinpoint Rig #12.

9. RU completion unit. Run cased hole GR/CLL/CNL & perf select intervals in the Devonian.

10. Acidize w/ 15% HCL, run production pumps & tbg & place on production.

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 07/15/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

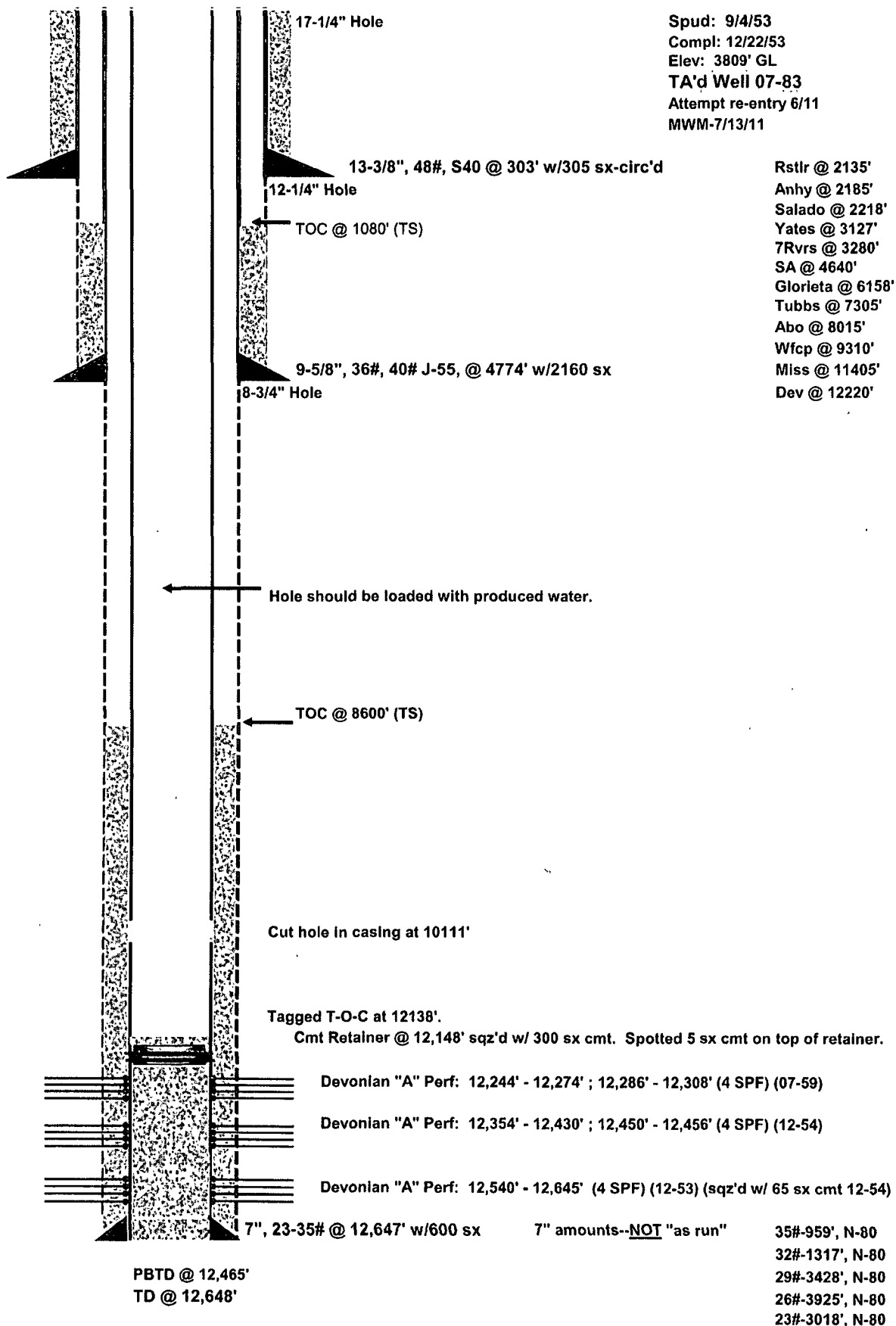
TITLE

Staff NGP

DATE 7-18-2011

Conditions of Approval (if any):

Lee Whitman A #4 1980' FNL & 825' FEL of Sec. 26, T14S, R37E, Lea County, Unit Letter "H"
API: 30-025-05138



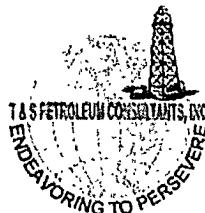


CELERO ENERGY
 Field: Southeast NM E'27
 Site: Lee Whitman "A" #4
 Well: #4
 Wellpath: Sidetrack
 Plan: Plan #2

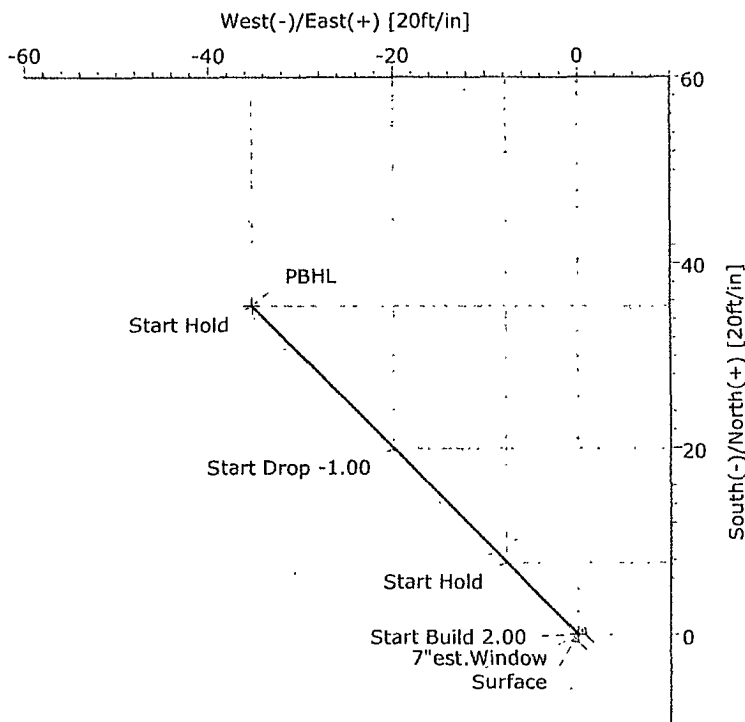
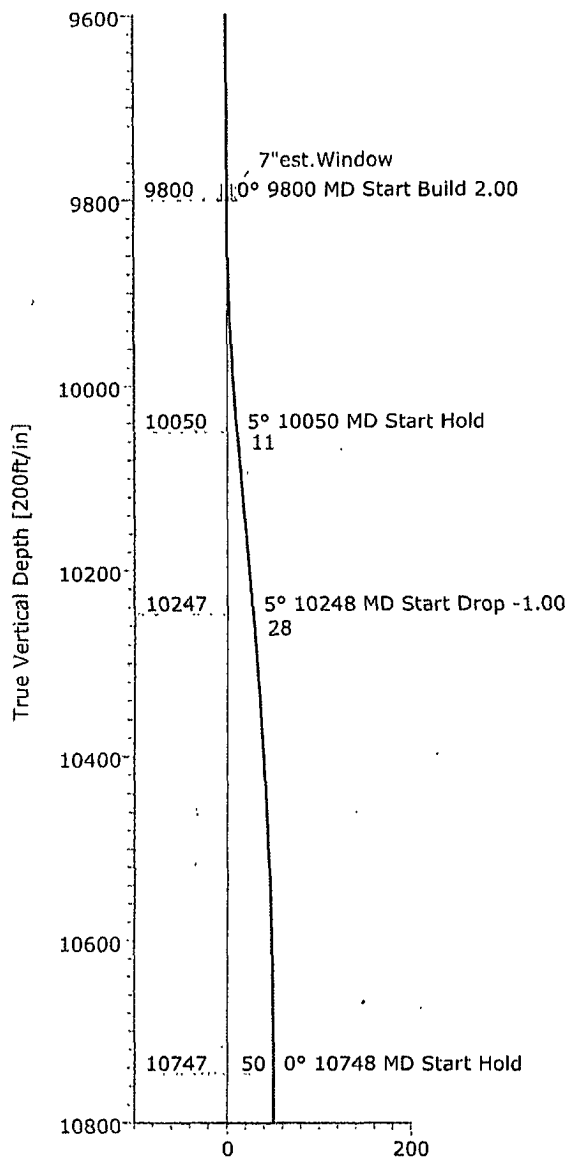


CASING DETAILS

No.	TVD	MD	Name	Size
1	9800.00	9800.00	7"est.Window	7.000



T
 M
 Azimuths to True North
 Magnetic North: 7.45°
 Magnetic Field
 Strength: 49191nT
 Dip Angle: 61:04°
 Date: 7/21/2011
 Model: IGRF2010



Sidetrack off whipstock towards NW
 Nudge & fade back to vertical approx. 50' from old well bore
 Drill to similar TD of 12700'

Lea County
 Section 26; T14S-R37; UL-H
 Surface
 1980'FNL, 825'FEL

Vertical Section at 315.00° [200ft/in]

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Surface	0.00	0.00	0.00	757600.45	857867.93	33°04'38.015N	103°09'54.250W	Point
PBHL	12700.00	35.36	-35.36	757635.41	857832.18	33°04'38.365N	103°09'54.665W	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	315.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	9800.00	0.00	315.00	9800.00	0.00	0.00	0.00	0.00	0.00	
3	10050.00	5.00	315.00	10049.68	7.71	-7.71	2.00	315.00	10.90	
4	10248.45	5.00	315.00	10247.38	19.94	-19.94	0.00	0.00	28.20	
5	10748.45	0.00	315.00	10746.74	35.36	-35.36	1.00	180.00	50.00	
6	12701.71	0.00	315.00	12700.00	35.36	-35.36	0.00	0.00	50.00	PBHL

Plan: Plan #2 (#4/Sidetrack)

Created By: Lance Rosenblad

Date: 7/13/2011

PRECISION DIRECTIONAL SERVICES, INC.

Drake Office: 281-598-6740

Precision Directional Services, Inc.

Planning Report

Company: CELERO ENERGY Field: Southeast NM E'27 Site: Lee Whilman "A" #4 Well: #4 Wellpath: Sidetrack	Date: 7/15/2011 Co-ordinate(NE) Reference: Well: #4, True North Vertical (TVD) Reference: 3809'GL+est.20'KB 3829.0 Section (VS) Reference: Well (0.00N,0.00E,315.00Azi) Plan: Plan #2	Page: 1
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Field: Southeast NM E'27	
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Map System: US State Plane Coordinate System 1927 Geo Datum: NAD27 (Clarke 1866) Sys Datum: Mean Sea Level	Map Zone: New Mexico, Eastern Zone Coordinate System: Well Centre Geomagnetic Model: IGRF2010
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Site: Lee Whilman "A" #4 Lea County (lat-long est. 1980'FNL, 825'FEL) Section 26; T14S-R37 Unit Letter H			
Site Position: From: Geographic Position Uncertainty: 0.00 ft Ground Level: 3809.00 ft	Northing: 757600.45 ft Easting: 857867.93 ft	Latitude: 33 4 38.015 N Longitude: 103 9 54.250 W North Reference: True Grid Convergence: 0.64 deg	

Well: #4 Well Position: +N/-S 0.00 ft +E/-W 0.00 ft Position Uncertainty: 0.00 ft	Slot Name: Well Position: +N/-S 0.00 ft +E/-W 0.00 ft Position Uncertainty: 0.00 ft
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Wellpath: Sidetrack 30-025-05138 Current Datum: 3809'GL+est.20'KB Magnetic Data: 7/21/2011 Field Strength: 49191 nT Vertical Section: Depth From (TVD) ft	Height 3829.00 ft	Drilled From: Surface Tie-on Depth: 0.00 ft Above System Datum: Mean Sea Level Declination: 7.45 deg Mag Dip Angle: 61.04 deg +E/-W Direction deg
0.00	0.00	0.00 315.00

Plan: Plan #2 Principal: No	Date Composed: 7/15/2011 Version: 1 Tied-to: From Surface
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Plan Section Information										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	315.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9800.00	0.00	315.00	9800.00	0.00	0.00	0.00	0.00	0.00	0.00	
10050.00	5.00	315.00	10049.68	7.71	-7.71	2.00	2.00	0.00	315.00	
10248.45	5.00	315.00	10247.38	19.94	-19.94	0.00	0.00	0.00	0.00	
10748.45	0.00	315.00	10746.74	35.36	-35.36	1.00	-1.00	0.00	180.00	
12701.71	0.00	315.00	12700.00	35.36	-35.36	0.00	0.00	0.00	0.00	PBHL

Survey										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
9800.00	0.00	315.00	9800.00	0.00	0.00	0.00	0.00	0.00	0.00	7"est.Window
9900.00	2.00	315.00	9899.98	1.23	-1.23	1.75	2.00	2.00	0.00	
10000.00	4.00	315.00	9999.84	4.93	-4.93	6.98	2.00	2.00	0.00	
10050.00	5.00	315.00	10049.68	7.71	-7.71	10.90	2.00	2.00	0.00	
10100.00	5.00	315.00	10099.49	10.79	-10.79	15.26	0.00	0.00	0.00	
10200.00	5.00	315.00	10199.11	16.95	-16.95	23.97	0.00	0.00	0.00	
10248.45	5.00	315.00	10247.38	19.94	-19.94	28.20	0.00	0.00	0.00	
10300.00	4.48	315.00	10298.75	22.95	-22.95	32.46	1.00	-1.00	0.00	
10400.00	3.48	315.00	10398.51	27.87	-27.87	39.41	1.00	-1.00	0.00	
10500.00	2.48	315.00	10498.37	31.55	-31.55	44.61	1.00	-1.00	0.00	
10600.00	1.48	315.00	10598.31	34.00	-34.00	48.08	1.00	-1.00	0.00	
10700.00	0.48	315.00	10698.29	35.21	-35.21	49.80	1.00	-1.00	0.00	
10748.45	0.00	315.00	10746.74	35.36	-35.36	50.00	1.00	-1.00	0.00	
10800.00	0.00	315.00	10798.29	35.36	-35.36	50.00	0.00	0.00	0.00	
10900.00	0.00	315.00	10898.29	35.36	-35.36	50.00	0.00	0.00	0.00	

Precision Directional Services, Inc.

Planning Report

Company: CELERO ENERGY Field: Southeast NM E'27 Site: Lee Whitman "A" #4 Well: #4 Wellpath: Sidetrack	Date: 7/15/2011 Co-ordinate(NE) Reference: Well: #4, True North Vertical (TVD) Reference: 3809'GL+est.20'KB 3829.0 Section (VS) Reference: Well (0.00N,0.00E,315.00Azi) Plan: Plan #2	Time: 09:15:36 Page: 2
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Survey

MD ft	Incl deg	Azin deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
11000.00	0.00	315.00	10998.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11100.00	0.00	315.00	11098.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11200.00	0.00	315.00	11198.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11300.00	0.00	315.00	11298.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11400.00	0.00	315.00	11398.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11500.00	0.00	315.00	11498.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11600.00	0.00	315.00	11598.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11700.00	0.00	315.00	11698.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11800.00	0.00	315.00	11798.29	35.36	-35.36	50.00	0.00	0.00	0.00	
11900.00	0.00	315.00	11898.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12000.00	0.00	315.00	11998.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12100.00	0.00	315.00	12098.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12200.00	0.00	315.00	12198.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12300.00	0.00	315.00	12298.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12400.00	0.00	315.00	12398.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12500.00	0.00	315.00	12498.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12600.00	0.00	315.00	12598.29	35.36	-35.36	50.00	0.00	0.00	0.00	
12701.71	0.00	315.00	12700.00	35.36	-35.36	50.00	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dlr.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec			<--- Longitude ---> Deg Min Sec		
Surface			0.00	0.00	0.00	757600.45	857867.93	33	4	38.015 N	103	9	54.250 W
PBHL -Plan hit target			12700.00	35.36	-35.36	757635.41	857832.18	33	4	38.365 N	103	9	54.665 W

Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
9800.00	9800.00	7.000	8.750	7"est.Window