

New Mexico Oil Conservation Division, District I

1625 N. French Drive

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Hobbs, NM 88240

HOBBS OGD

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Celero Energy II, LP

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FWL

(M) Sec 34, T13S, R31E

5. Lease Serial No.

NM-03927

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Drickey Queen Sand Unit #8

9. API Well No.

30-005-00901

10. Field and Pool or Exploratory Area

Caprock; Queen

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

☐ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☒ Subsequent Report☐ Casing Repair☐ New Construction☐ Recomplete☐ Other☐ Final Abandonment Notice☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon☒ Convert to Injection☐ Plug Back☐ 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 recomple 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 recomple 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.)

6/2 - 6/8/11

MIRU. POOH w/production equipment. TIH w/ 4 3/4" bit, CD's & 2 7/8" tbg. Tag @ 2925'. Drld 21' to TD @ 2946' plus 1' @ 2947'. TOH w/ bit, no circ. TIH w/ 5 1/2" csg scraper & 4- 3 1/2" DC's & 2 7/8" WS to 2918'. TOH, stand back 4- 3 1/2" DC's. TIH w/ AD-1 pkr. Set @ 2877'. Load w/ 25 bbls & test to 500# for 30 min. Well tested okay. TOH w/ AD-1 pkr. Run CIL & CBL. Change out string from 2 7/8" WS to 2 3/8" plastic coated IPC. TIH w/ 88 jts 2 3/8" 4.7# J-55 IPC prod string & AS1-X pkr @ 2860'. Test csg to 500# for 30 mins, tested good. ND BOP & NU WH. Instal 6" 310Ss nipple & ALBR valve.

6/16/11 - Ran MIT. Tested 31 mins. Pressure to 500# & held good. Test witnessed & approved by Maxey Brown w/OCD. Original chart sent to OCD Hobbs. Copy of chart sent to BLM. Connect well for injection. Well is shut in pending injection permit approval.

TAS/ACCEPTED

APPROVED FOR 6 MONTH PERIOD

ENDING DEC 16 2011

MSB-OCD 7/21/2011

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 06/20/2011

ACCEPTED FOR RECORD

SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLASS

Title

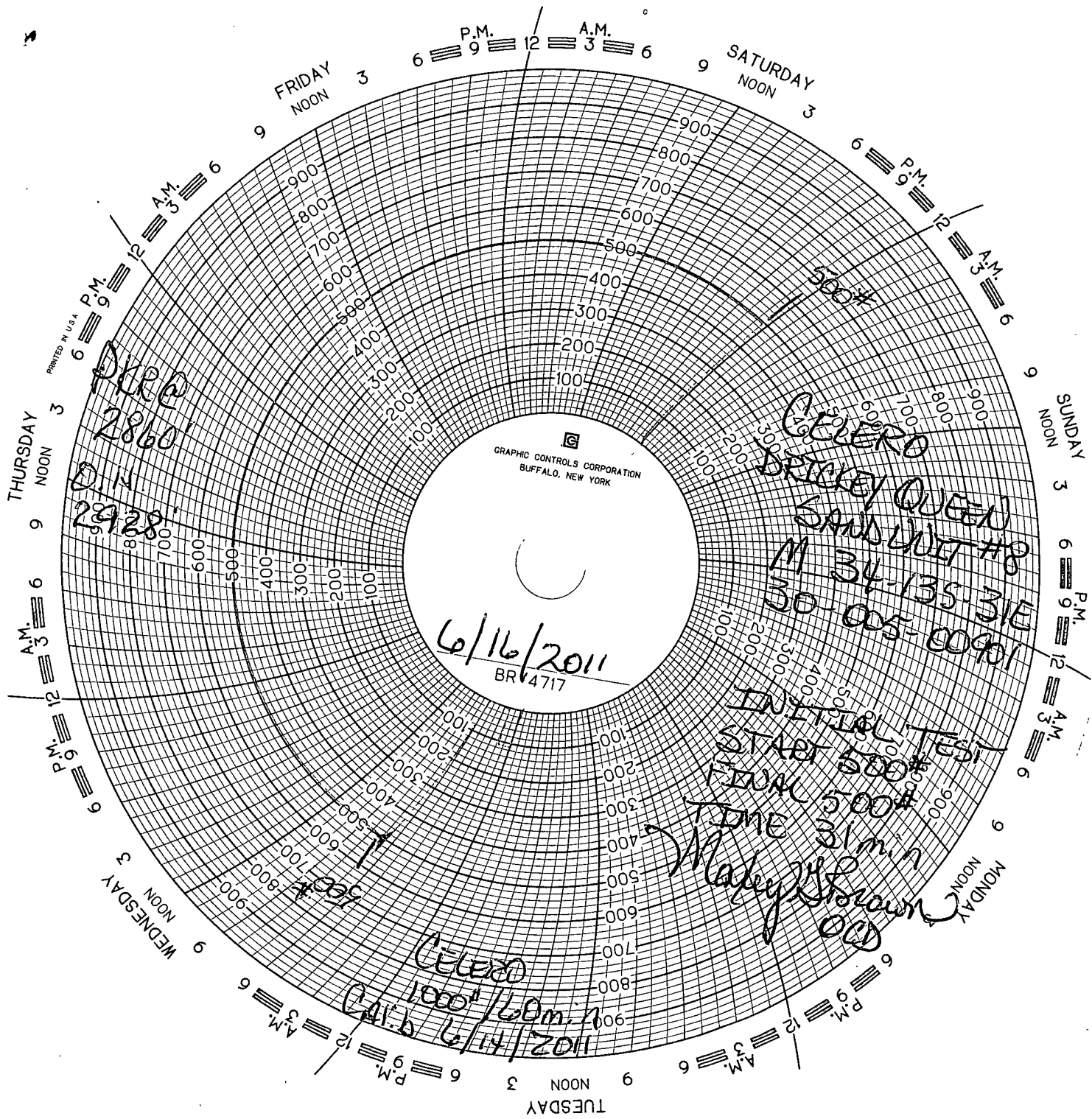
Date

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 those rights in the subject lease which would entitle the applicant to conduct operations thereon.

DAVID R. GLASS
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Title 18 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

(Instructions on page 2)



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