

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
HOBBS OIL
JUL 19 2011
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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. 30-005-00816 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <u>monitor well</u>		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. 303735
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>I</u> : 1980 feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Section <u>22</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number <u>25</u> ✓
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Convert TA'd well to monitor well <input checked="" type="checkbox"/>	

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.

2/17/11 - MIRU. NDWH & NUBOP. TIH w/ tbg WS & retrieving head for RBP. Wash off sand on RBP, latch onto RBP @ 3001' & TOH, LD tbg WS & RBP. TIH w/ 93 jts of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg w/ 5 1/2" AD-1 plastic coated tension pkr. With pkr swinging @ 3010', circ pkr fluid, set pkr, pulled 18 pts of tension. Test annulus to 550# for 15 min. NDBOP & NUWH.

6/17/11 - NDWH. Pull a total of 20 pts of tension on pkr. Ran OCD MIT test. Tested tbg-csg annulus for 30 mins from 520#-500#. Held ok. Test was not witnessed but was approved by Maxey Brown. Original chart is attached. Well now a monitor well as per Order No. R-1541-B.

Spud Date:

Rig Release Date:

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

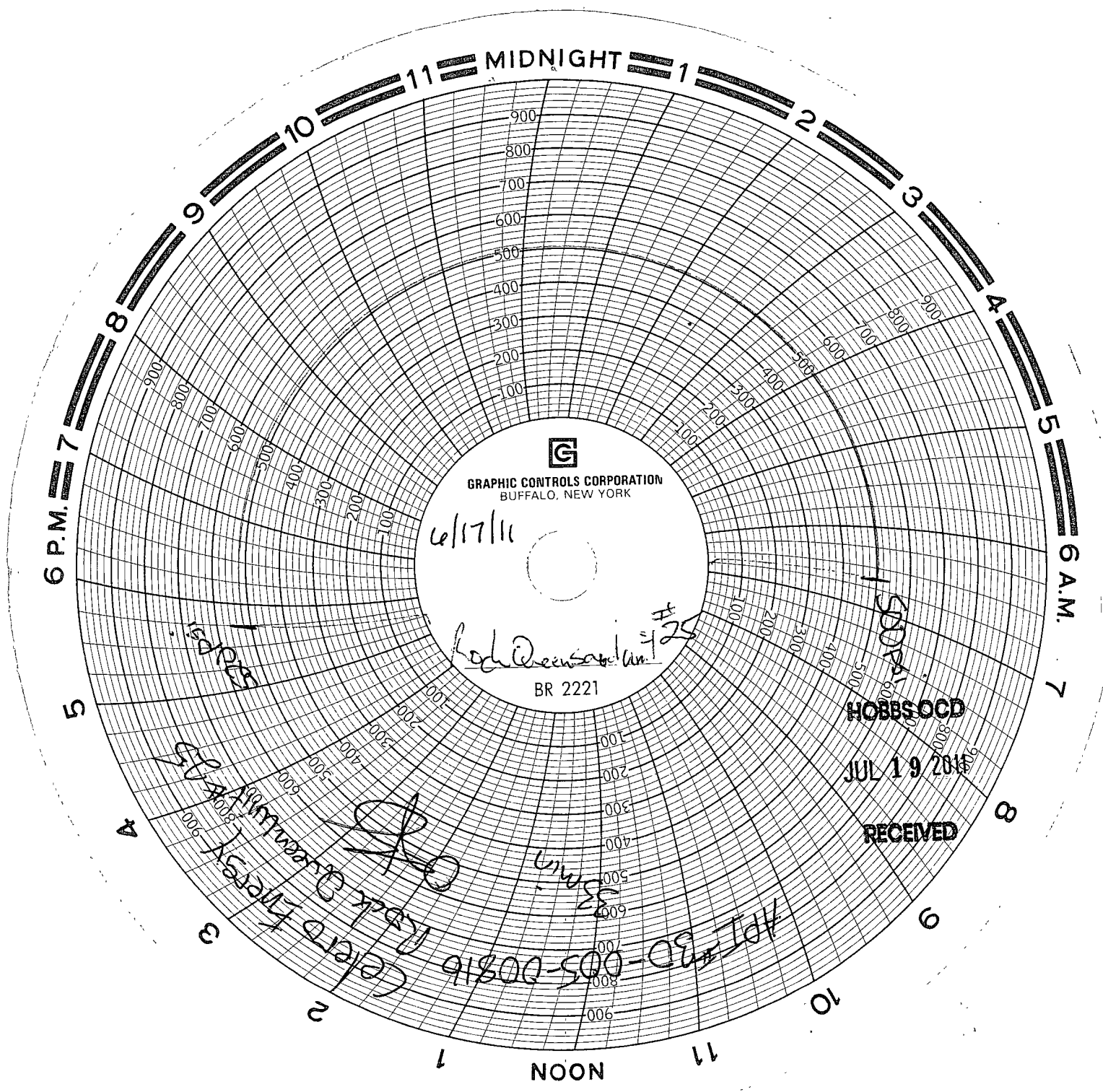
SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 07/18/2011

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 27 2011

Conditions of Approval (if any):



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

6/17/11

High Queens Ave. #125

BR 2221

HOBBSOCD

JUL 19 2011

RECEIVED

Call to Hertz
Rock County
ST. ALBANS

91800-500-00816