

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

SEP 19 2011

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. 30-005-01063
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" 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 Drickey Queen Sand Unit
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>N</u> line and <u>660</u> feet from the <u>W</u> line Section <u>15</u> Township <u>14S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number 44
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: Unsuccessful attempt to return to injection ☒

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.

5/5 5/16/11 - Unable to release pkr. Stretch readings indicates tbg stuck @ 1700' +/- . Attempt to run 1 7/16" free point tool. Stop @ 120'. Ran 26' of 1 1/2" sinker bars & spang jars. Stop @ 120'. Unable to make hole. Attempt to pump down tbg. Pressured to 700# & slowly leaked off. Tbg did not communicate w/ the tbg-csg annulus. RU to run 1" tbg w/ 1 5/8" mill. Drill & C/O from 35' - 155' & plugged. TOH. Ran 1 5/8" tapered mill. C/O to 176' & stopped milling. TIH w/ 1" CS Hydril w/ blade bit & BS w/ drilled holes in same to assist in circ & C/O. Tag @ 156'. C/O to 186'. Bit stopped C/O. TOH. Ran 1 11/16" re-worked tapered mill. Tag @ 186'. C/O to 709', recovered a lot of paraffin, small amount of cmt cuttings & scale. Taking 800# psi @ 1/2 BPM to circ. TIH w/ 1" tbg & re-worked 1 3/4" tapered mill. Tag @ 709'. C/O from 709' - 1788'. C/O additional 2 3/8" tbg from 1788' - 1950'. Mill & C/O to 2804'. Ran 1 7/16" free point tools. Found collar @ 972' 100% stuck below collar, 40% free just above collar. Made several settings, even @ 750', still showed 50% stuck.

9/15/11 - Wash & ream from 368'-895'. Recovered salt & scale in returns. Prepare to send intent to P&A sundry to OCD.

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 09/16/2011

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 MGR*

DATE

*9-19-2011*

Conditions of Approval (if any):

SEP 19 2011