

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

OCT 11 2011

HOBBSOCD

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. 30-005-01129
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 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>B</u> : <u>660</u> feet from the <u>N</u> line and <u>1980</u> feet from the <u>E</u> line Section <u>22</u> Township <u>14S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number 49
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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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.

"Request 3 year temporary abandoned status. Recently tested production casing & put well on production test. Test was unsuccessful; however the well has potential utility in the event a CO2 pilot project on the Rock Queen Unit to the North is successful & the project is expanded field wide."

Procedure:

1. POOH w/ production equipment.
2. RIH w/ CIBP on tbg & set @ roughly 2950'.
3. Circulate hole w/ packer fluid & perform pressure test POOH w/ tubing & shut well in.

Rule 19.15.25.14

Set CIBP, RBP or Packer within 100 feet of uppermost perfs or open hole. Pressure test to 500 psi for 30 minutes with a pressure drop of not greater than 10% over a 30 minute period

Condition of Approval Notify OCD Hobbs office 24 hours prior of running MIT Test & Chart

S

Case Date:

The Oil Conservation Division Must be notified 24 hours prior to the beginning of ~~drilling~~ operations

to the best of my knowledge and belief.

SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 10/11/2011

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 10-11-2011

Conditions of Approval (if any):

OCT 13 2011

CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Oct. 10, 2011
BY: MWM
WELL: 49
STATE: New Mexico

Location: 660' FNL & 1980' FEL, Sec 22B, T14S, R31ECM

SPUD: 9/54 COMP: 9/54

CURRENT STATUS: Producer SI

Original Well Name: J. H. Medlin #1

KB = 4424'

GL =

API = 30-005-01129

12-1/4"
9-5/8" 24#/ft @ 263' w/170 sx -circ'd
8-3/4"

94 jts, 2-7/8", 6.5#, J-55, 8rd EUE

Calc'd TOC @ 2532' w/enlargement = 15%; yld = 1.26 ft3/sk

7" 23# @ 3085' w/125 sx

Top of Queen @ 3085':

Queen Open Hole: 3085' - 3087' (9-54)

PBTD - 3087'
TD - 3087'