

HOBBS OCD

OCT 19 2011

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTNew Mexico Oil Conservation Division, District I  
1625 N. French Drive  
Hobbs, NM 88240FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**RECEIVED**  
**ORDINARY 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.

 5. Lease Serial No.  
**NM-03210**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

## 1. Type of Well

☐ Oil Well☐ Gas Well☒ Other

Inj

## 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' FNL &amp; 1979' FEL

(B) Sec 17, T14S, R31E

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

## 8. Well Name and No.

West Cap Queen Sand Unit #2

## 9. API Well No

30-005-01096

## 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			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Unsuccessful</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>attempt to</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>return to inj</u>

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 recompleate 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 recompleation 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.)

7/11-7/19/11

Pull pkr. Ran 4 3/4" bit, 1 jt of 2 7/8" OD tbg, 4 7/8" string mill. C/O inside of 5 1/2" csg to 2314' recovering paraffin & scale. Circ clean. Ran 4 1/2" lead impression block & tag @ 2413'. TOH. TIH w/ 2 7/8" OD tbg WS w/ 2 3/8" x 4' tbg sub w/ mule shoe cut on btm. Tag @ 2413'. Slowly rotate & circ recovering formation, small amount of red bed w/ mostly buff colored lime/dolomite cuttings & paraffin w/ scale. TOH. TIH w/ tbg & 4 7/8" tapered cutrite mill. Tag @ 2378'. Milled & rotated to 2413'. Unable to make hole recovering a small amount of buff colored formation w/ paraffin & scale. Circ hole clean. TOH. TIH w/ 2 7/8" tbg, 3 1/8" DC's & 3 3/4" bit. Ran to 2422', well bore overflowing w/ produced wtr. C/O to 2470' & lost circ. Continued drlg to 2530'. Unable to go deeper. TOH w/ bit. TIH w/ 2 7/8" tbg, 6- 3 1/8" DC's & 3 3/4" tapered mill w/ cutrite. Tag @ 2530'. Mill & rotate from 2530'-2539'. TOH. TIH w/ tbg, DC's & 3 3/4" Hinson Hurricane mill/bit. Tag @ 2539'. C/O & drill to 2547'. TIH w/ tbg WS, 6- 3 1/8" OD DC's & bit Tag @ 2547'. C/O from 2547'-2670'. Recovered dolomite/lime formation, paraffin & scale. Circ hole clean (well started circ @ 2570'). Drill 2' - 2672' & bit stopped drlg. TOH. TIH w/ 3 3/4" bit #2, ran w/ DC's on 2 7/8" tbg. Drill from 2672'-2708' recovering buff colored formation w/ some red bed. Had good circ. Used 315 BPW to get well to circ. With bit on btm, mix 70 bbls pf 9.8 ppg mud using salt gel & MF-55. Displace hole w/ mud. TOH w/ tbg, LD DC's & bit. TIH w/ tbg, open ended w/ mule shoe on btm of tbg. Ran to TD of 2708'. TOH, LD tbg WS. NDBOP & NUWH leaving 2 3/8" x 4" tbg sub in WH w/ collar on top & btm of tbg sub. CWI w/ tbg valve. RDMO.

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 10/03/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

 Accepted For Record Only! Approval Subject To  
 Returning Well To Continuous Injection And  
 Keeping Well On Continuous Injection Or  
 Plugging Well With A BLM Approved Plugging  
 Program

 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 these rights in the land. The applicant  
 entitles the applicant to conduct operations thereon.

 Title 18 U.S.C. Section 1001 and 18 U.S.C. Section 1222, make it a crime for any person knowingly  
 fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

OCT 20 2011