

HOBBS

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-3
(August 2009)FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010OCT 19 2011
RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

5. Lease Serial No.
LC-068474

6. If Indian, Allottee or Tribe Name

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)

 1990' FNL & 660' FWL
 UL: E, Sec 3, T14 S, R31E

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

Drickey Queen Sand Unit

8. Well Name and No.

Drickey Queen Sand Unit #19

9. API Well No.

30-005-00976

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 Sidetrack
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 recompleat 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.)

8/13 - 8/27/11 - Unset pkr. Cmt w/ 300 sx Class "C" cmt w/ 2% CaCl₂, 3# sand per sx on 1st 100 sx. SI pump @ 70#. Displace w/ 14 bbls, cut displacement 1/2 bbl short. Stung out of retainer. Reverse out 40 bbls. Run CCL. Retainer set @ 2545'. Collar @ 2542' & 2519'. Wash from 2456'-2545'. Circ hole clean. Set whipstock @ 2535'. PU 4 7/8" window mill, 4 7/8" watermelon mill. TIH, tag @ 2535' & mill to 2536'. Circ clean. Mill window from 2536'-2546'. PU 4 3/4" bit, 2.3 motor set @ 1.15, float sub, 10- 3 1/2" DC's, x-over, 71- 2 7/8" WS. Slide drill from 2546'-2915'. Change pipe rams from 2 7/8" - 2 3/8". RU & run duplex shoe & 15 jts 4" 10.8# J55 UFJ (7jts coated). PU 2 3/8" WS, tie into liner & TIH. TIH w/ liner to top of window. Pump liner down (9' fill). Land liner @ 2915'. TOL @ 2285'. Cmt w/ 150 sx Class "C" cmt w/ 2% CaCl₂. Max psi while pumping 900#, SD 400#. Displaced w/ 10.5 bbls. Stung out of shoe & TOH. WOC. TIH w/ 4 3/4" bit to TOL @ 2285'. No cmt. TOH & PU 3 3/8" bit & TIH to btm of liner. No cmt. TOH & PU 5 1/2" AD-1 pkr. TIH to 1985' & set pkr. Pkr would not set. TOH. TIH w/ AS1-X pkr & 62 jts 2 3/8" WS to 1985' & set pkr. Pump 45 BPW @ 1.8 BPM. Had no pressure. Pump 15 BFW ahead & cmt w/ 100 sx of Class "C" cmt w/ 2% CaCl₂ & 3# sand per sx for 1st 50 sx tapering off to 0 by 100 sx. Displace w/ 9.6 bbl. Max psi while pumping 50#. Came up to 80# @ SI WOC. Start 2nd stage. Initial psi 400# @ 1 BPM. Pump 100 sx Class "C" cmt w/ 2% CaCl₂. Halfway through cmt psi dropped to 0. Started to over displace & psi went to 300#. Left 3 bbls above liner top. TOH w/ AS1-X pkr. TIH w/ 67 jts 2 3/8" WS. Tag @ 2132'. Drill cmt from 2132'-2285' TOL. Circ hole clean. PU AS1-X pkr & TIH. Test liner top to 500#. Tested ok. TOH w/ pkr. Test top csg to 500#. Had leak. PU 3 3/8" RR bit & TIH to TOL. Drill cmt from 2285'-2345' but fell through * Continued on attached sheet

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

Lisa Hunt

Title Regulatory Analyst

Signature

Date 09/19/2011

ACCEPTED FOR RECORDS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Accepted For Record Only! Approval Subject
 To Returning Well To Continuous Production
 And Keeping Well On Continuous Production!

Conditions of approval, if any, are attached. Approval of this document by the Bureau of Land Management, U.S. Department of the Interior, signifies that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 35 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)

OCT 20 2011

Drickey Queen Sand Unit #19 – C103 continued

8/29/11 - Run CBL from 2877'-2200'. TIH to 1122', test csg to surface, had leak. Lost 200# in 10 min.

8/30/11 - Run 4" tie back tool collar, 1 jt 4" 11# J-55 w/ TDC, FC & 56 jts 4" 11# J-55 w/ TDC. Total pipe 2293.16'. Pump 10 bbl spacer ahead & cmt w/ 140 sx Class "C" cmt w/ 2% CaCl₂ & ¼# celloflake in 1st 60 sx. Displace w/ 25 bbls.

8/31/11 - NDBOP, set 4" slips. Cut off & weld on bell nipple. NUBOP. PU 3 3/8" Hanson bit FBC SN:H34143M BSM 5- 3 1/8" SC's. Total BHA A5A 94. TIH to 485'. Tag plug. Drill plug & cmt from 485'-631'.

9/1/11 - Drl cmt from 631'-1663'. Circ hole clean.

9/2/11 - Drl from 1663'-2285'. D/O aligning tool & 10' of cmt. Btm liner clean. Circ hole clean.

9/6/11 - Wash to 2918'. Circ hole clean. . Ran CBL from 2914'-1300'. Run CNL from 2914'-2280'. Ran 2 ½" 21' perf gun w/ 180 degree phasing & perf 15' 2 SPF from 2878'-2892'.

9/7/11 - PU AS1-X pkr & TIH w/ 87 jts 2 3/8" WS & set pkr @ 2796'. Treat w/ 1500 gals 7 ½% HCL, FW flush pump 5 balls every 3.5 bbls for a total of 45 balls. Broke formation w/ 2840#, max psi w/ all balls on 3000#. SD & surge. Resumed pumping @ 1.5 BPM w/ 1300#. Increased to 2 BPM @ 575#. SD psi 0. Well on vacuum.

9/8/11 - TOH w/ pkr. Ran bull plug collar, 1 jt of 2 3/8" 4.7#J55, perf sub, working bbl & 89 jts 2 3/8" 4.7# J55 tbg. Set @ 2912.68'. NDBOP & NUWH. Ran 1 ¾" plunger, 6 sinker rods, 107- ¾" rods, 1- ¾" x 2' sub polish rod & liner. Spaced out rods, loaded tbg w/ 4 bbls. Pressured up to 500#, tested ok. Stroked pump had 500# in 8 strokes, held pressure. Well is shut in & waiting on battery to be built. Will send another C-104 when we have a well test.