

1625 N. French Drive

Hobbs, NM 88240

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

JAN 20 2011

5. Lease Serial No.
NM 0349837

6. If Indian, Allottee or Tribe Name

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.

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)

1980' FNL & 1980' FEL

UL: G, Sec 7, T14S, R31E

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

NM-72639

8. Well Name and No.

Dalport Arco Federal Com #1

9. API Well No.

30-005-20999

10. Field and Pool or Exploratory Area

Chaves Queen, Gas Area SE

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 checked="" 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 type="checkbox"/> Other
	<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.)

11/30/10 - MIRU. MI 1" CS Hydril, 2.25#, P-110 tbg w/ pipe racks & catwalk. Open tbg-csg annulus & blew well down. NDWH & NU stripper head. Re-ran 13 jts of 2 3/8" OD, 4.7#, 8rd, EUE, J-55 tbg & left pkr swinging @ 2,460'. Seating nipple @ 2,454'. ND stripper head & NUWH. Install WH equipment w/ stripper head to run 1" tbg w/ 1 3/4" tapered mill. Ran 69 jts & left mill @ 2,140'. Close in tbg. Left well flowing out tbg-csg annulus. Rate = 85 mcfpd. 12/1/10 - Lwr mill & tag fill @ 2,166'. RU air/foam rig & swivel. Clean out plugs @ 2,166', 2,363' & 2,426'. Lower to 2,568', mill out small plug & lowered mill to 2,578' (perfs = 2,562' to 2,571'). Clean & circ down 1" tbg up the 1" x 2 3/8" annulus & cleaned tubulars, circ down 1" tbg & out 2 3/8" x 4 1/2" annulus & clean out well bore. Blew out foam & formation fluids w/ air. Used a total of 30 BFW, 15 gallons of chemical, w/ a discharge pressure on air/foam unit varying from 750# to 1400#. Max air volume was 1350 cubic feet per minute. Total circulating time was 3 hours. Blew down WH pressure for 1 1/2 hours & TOH, LD 1" tbg w/ 1 3/4" mill. Connect up WH to sales line. Checked flow for gas (the gas would not burn). Left well flowing down sales line on an open choke w/ 62# line pressure.

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

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 12/13/2010

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Conditions of approval, if any, are attached. Approval of this notice does not entitle the applicant to conduct operations on the land.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a criminal offense to make any false, fictitious or fraudulent statements or representations as to any matter within

(Instructions on page 2)

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

the United States any false,

OCT 20 2011