

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

00 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

HOBBS COO

OCT 20 2011

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-29166

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Rock Queen Unit

8. Well Number 705

9. OGRID Number 247128

10. Pool name or Wildcat

Caprock; Queen

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Celero Energy II, LP

3. Address of Operator 400 W. Illinois, Ste. 1601  
Midland, TX 79701

4. Well Location

Unit Letter M : 1160 feet from the South line and 1305 feet from the West line  
Section 36 Township 13S Range 31E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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: Well completion ☒

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.

4/1 - 4/5/11 - TIH w/ tbg WS & 4 1/4" bit. Tag @ 3060'. D/O & clean out from 3060' - 3115' recovering cmt. Circ hole clean. TOH w/ tbg & bit. RU Apollo WL. Ran GR/CCI/CNL from 2000' - 3115'. Ran CBL from 700' - 3115'. Perf 5 1/2" csg w/ 3 1/8" cased gun, 2 SPF, 19 gram charges, 120 degree phasing, 0.40" holes from 3057' - 3071'; 15' & 30 holes. TIH w/ 2 7/8" tbg WS w/ 5 1/2" AD-1 tension pkr. Ran to 2945'. Pump 5 BPW down into perfs 3057-71' @ 2600# & 1.5 BPM. Acidize perfs w/ 2000 gal of 7 1/2% NEFE acid & 40- 7/8" ball sealers. Flushed w/ 20 BFW, no overflush. Treating pressures were: Max = 3000#; Avg = 2200# @ 2.3 BPM (zone balled out w/ 3000# psi); ISIP = 1994#; 5 min = 1666#; 10 min = 1623#; 15 min = 1586#; TLTR = 108 bbls. Release pkr, lower & knock off ball sealers from perfs. TOH w/ tbg & pkr. Ran 95 jts of 2 7/8" OD 8rd EUE J-55 tbg WS w/ seating nipple. SN @ 2970' w/ end of tbg @ 3003' open ended. NDBOP, NU 7 1/16" x 2 7/8" slip type flange adaptor tbg head w/ tbg valve.

6/28/11 - TIH w/ 93 jts of 2 7/8" OD tbg, 3 1/2" x 8' tbg sub, 4.13" OD x 28.75' (3 3/4" OD on body) 350-4100 series Stator, 3 1/2" OD x 1.67' cross bar, 1 jt of 2 7/8" OD tbg, 2 7/8" x 5 1/2" TAC & 2 7/8" x 6+ bull plugged perf nipple. Set Stator from 2943-73' w/ cross bar, set 5 1/2" x 2.85' left hand release TAC w/ 10 pts tension from 3005-08' & 2 7/8" OD bull plugged perf nipple from 3008'-3014' (all figures w/o a 12" KB). NDBOP & NUWH. Ran 28.45' rotor for 350-4100 series Stator, 117- 1" x 25' steel rods w/ rod guides & 1- 1" x 6', 1- 3 1/2". Install GrenCo M-2100, 50-HP surface unit. CWI. Waiting on electrical service to be connected to surface unit.

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 07/19/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY

*[Signature]*

TITLE

*State Mar*

DATE 10-20-2011

Conditions of Approval (if any):

OCT 20 2011