

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

HOBBS CODE CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
OCT 21 2011

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. 30-005-29184 ✓
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 checked="" type="checkbox"/> FEE <input 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 Rock Queen Unit ✓
4. Well Location Unit Letter H : 2140 feet from the N line and 660 feet from the E line Section 26 Township 13S Range 31E NMPM County Chaves		8. Well Number 315 ✓
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

9/28/11 - Spud well. Drill 11" hole from 40' to 376'. Run 8 5/8" csg & cmt as follows: Run 9 jts 8 5/8" J-55 24# STC csg to 376'. Circulate. Cmt csg with 270 sks class C, 2% CACL2, .25# Celloflake, .25% R-38. 83 sx circ to surface.
9/30 - 10/3/11 - Drill 7 7/8" hole from 376' to 3125'.
10/4/11 - Run 5 1/2" csg & cmt as follows: Run 80 jts 5 1/2" J-55 15.5# csg. Set @ 3125'. Lead cmt w/ 350 sx Class C, 50/50+10% bentonite + .25% R-38+5% salt. Tail w/ 350 Class c, 50/50+2% bentonite + .25% R-38 + 5% salt. Circ 178 sxs cmt to surface. Release rig 10/4/11 @ 6:00 am.

Spud Date:

09/28/2011

Rig Release Date:

10/04/2011

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 10/19/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

OCT 24 2011

Conditions of Approval (if any):

OCT 24 2011