

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

OCT 21 2011

WELL API NO.

30-005-21133

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

Drickey Queen Sand Unit

8. Well Number 145

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 K : 1440 feet from the S line and 2620 feet from the W line

Section 35 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: Unsuccessful attempt to return to production ☒

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.

5/24 - 5/27/11 - Mill & C/O from 3051'-3062'. Mill would not go deeper. TOH. TIH w/ tbg, 6- 3 1/2" DC's, 3 3/4" cutrite shoe w/ extension. Ran to 2844'. Unable to go deeper. TOH. Re-ran 3 3/4" cutrite shoe. Ran to 2838'. Failed to go deeper. TOH. TIH w/ tbg, 2- 3 1/8" DC's, 2 jts of 2 3/8" tbg & 3 3/4" concave mill. Ran to 3052'. Mill to 3054'. Mill plugged. TOH. TIH w/ tbg, 3 1/8" x 7' bull dog bailer, 20 jts of 2 3/8" tbg, 2- 3 1/8" check valves & 3 3/4" bit. Ran to 3045'. Stroked bailer, rotated & made 4'-3049'. Unable to go deeper. TOH. Recovered 1+ gals of iron sulfide & formation. TIH w/ tbg & 3 3/4" bit. Tag @ 3051'. Pump 250 gal of 15% NEFE acid down tbg & flushed w/12 BFW. Let set 30 min & overflushed w/ 50 BFW. Resume drlg & C/O w/ bit from 3062'-3090'. TOH. TIH w/ tbg & 4 1/2" AD-1 pkr. Ran to 3000' & could not load tbg-csg annulus. Raise up hole to locate csg leak. Pkr hung up @ 1487'. Had to shear to pull loose. TOH. TIH w/ Kenco's RBP & set @ 2800' (RBP would not go below 2835') TOH. Ran 4 1/2" AD-1 tension pkr & tested tbg-csg annulus going DH. Tested okay @ 451'. Lower to 841' & backside would not load. Attempt to release pkr. Pkr stuck. Shear same & TOH. C/O red bed @ 777', 1163' & 1249'. TIH w/ tbg & retrieving head for RBP. Ran to 2716'. C/O red bed from 2716' to top of RBP @ 2800'. Latch onto RBP, TOH, LD tbg & RBP. Cap off well. RDMO. Evaluate well.

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 10/20/2011

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 Reg

DATE 10-24-2011

Conditions of Approval (if any):

OCT 24 2011