| Submit 1 Copy To Appropriate District | State of New Me | exico | Form C-103 |
|--|--|---------------------|--|
| Office • District I | istrict I Energy, Minerals and Natural Resources | | October 13, 2009 |
| 1625 N. French Dr., Hobbs, NM 88240 | | | WELL API NO. |
| District II 1301 W. Grand Ave., Artesia, NM 88210 HOBBS OF CONSERVATION DIVISION | | | 30-005-21133 5. Indicate Type of Lease |
| | | | STATE X FEE |
| District III 1000 Rio Brazos Rd., Aztec, NM 8741 OCT 2 1 2011 Santa Fe, NM 87505 | | | 6. State Oil & Gas Lease No. |
| 1220 S. St. Francis Dr., Santa Fc, NM 87505 | , | | G. 5.00 G. 60 G. 6 |
| SUNDRY NOT RECEIVED REPORTS ON WELLS | | | 7. Lease Name or Unit Agreement Name |
| (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 | | | Drickey Queen Sand Unit |
| PROPOSALS.) 1. Type of Well: Oil Well | | | 8. Well Number 145 |
| 2. Name of Operator Celero Energy II, LP | | | 9. OGRID Number 247128 |
| 3. Address of Operator 400 W. Illinois, Ste. 1601 | | | 10. Pool name or Wildcat |
| Midland, TX 79701 | | | Caprock; Queen |
| 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 CountyChaves | | | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) | | | |
| | | | |
| 12. Check App | ropriate Box to Indicate N | ature of Notice, | Report or Other Data |
| NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: | | | |
| PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒ REMEDIAL WORK | | | |
| TEMPORARILY ABANDON | | | LLING OPNS. P AND A |
| PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB | | | T JOB |
| DOWNHOLE COMMINGLE [| | | |
| OTHER: | П | OTHER: | П |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date | | | |
| | | C. For Multiple Cor | npletions: Attach wellbore diagram of |
| proposed completion or recompletion. | | | |
| Make a bit run to 3062'. RIH w/ BP & PS on workstring. Spot 25 sx @ 3062'. Pick up & WOC 4 hrs. Tag TOC at/above 2962'. Circ salt mud to 2156' & | | | |
| POOH. | | | |
| 3. Perf 4 @ 2156'. RIH w/ pkr & sqz 40 sx. POOH & RIH w/ BP & PS, tag TOC at/above 2056'. Circ salt mud to 1516' & POOH. | | | |
| 4. Perf 4 @ 1516'. RIH w/ pkr & sqz 40 sx. POOH & RIH w/ BP & PS, tag TOC at/above 1416'. Circ salt mud to 400' & POOH. | | | |
| 5. Perf 4 @ 400'. RIH w/ tbg to 450' & circ 4 1/2" & 4 1/2" by 8 5/8" annulus w/ 100 sx; POOH w/ tbg & top off csg. 6. Cut off WH, set P&A marker, clean & reclaim location. | | | |
| , | | | THE TO SUMPARE |
| All plugs Class C w/ 2% CaC12 Min 9.5 ppg salt mud between plug | , | | |
| The Oil Conservation Division Must be notified | | | |
| | | 24 hours prior to | the beginning of plugging operations. |
| PARTY MANUSCRIPT CO. | | | |
| Spud Date: | Rig Release Da | nte: | |
| • | | | |
| | | | |
| I hereby certify that the information above | e is true and complete to the be | est of my knowledg | e and belief. |
| | / , | | |
| SIGNATURE Sua H | TITLE Regula | tory Analyst | DATE_10/20/2011 |
| Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883 | | | |
| Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883 For State Use Only | | | |
| | | | |
| APPROVED BY CONDITION OF APPROVED BY CONDITIONS OF APPROVED BY CONDITI | | | |
| Conditions of Approval (if any): | | | |

CELERO ENERGY DATE: Oct. 19, 2011 FIELD: Caprock BY: MWM LEASE/UNIT: **Drickey Queen Sand Unit** WELL: 145 COUNTY: Chaves STATE: **New Mexico** Location: 1440' FSL & 2620' FWL, Sec 35K, T13S, R31ECM KB = 4414'SPUD: 10/94 COMP: 10/94 GL = 4408'CURRENT STATUS: S.I. Producer API = 30-005-21133Original Well Name: DQSU #145 12-1/4" 18-5/8" 24#/ft @ 350' w/222 sx. Calc'd TOC at surface. 7-7/8" Perf(4) at 400'; circulate 4-1/2" and 4-1/2"-by-8-5/8" annulus w/100 sx from 450' Hole in casing below 451'--red beds failing in hole and bridged at 777', 1163', 1249' and on RBP at 2716'-2800' T-Anhy @ 1426' T-Salt @ 1516' B-Salt @ 2156' T-Yates @ 2322' T-7Rvrs @ 2430' T-Queen @ 3062' Perf(4) at 1516'; packer sqz 40 sx, tag at/above 1416' Calc'd TOC at 1654' w/enlargement = 15%; yield = 1.26 ft3/sx Perf(4) at 2156'; packer sqz 40 sx, tag at/above 2056' Spot 25 sx at 3062'; tag at/above 2960' Top of Queen @ 3062': Queen: 3063' - 3073' (10-94) 4-1/2" 9.5# @ 3149' w/400 sx PBTD -TD - 3150'

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