

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 87401
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

RECEIVED HOBBS OCD OCT 25 2011		WELL API NO. 30-005-29185
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.)		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. State Oil & Gas Lease No.
2. Name of Operator Celero Energy II, LP		7. Lease Name or Unit Agreement Name Rock Queen Unit
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		8. Well Number 316
4. Well Location Unit Letter J : 2080 feet from the S line and 1830 feet from the E line Section 26 Township 13S Range 31E NMPM County Chaves		9. OGRID Number 247128
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4405' GL		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.

10/9/11 - Drill 11" hole from 40' to 377'. Circ Run 8 5/8" csg & cmt as follows: Run 9 joints 8 5/8", J-55, 24#, STC casing to 377'. Cmt csg w/ 270 sks class C, 2% CACL2, .25# Celloflake, .25% R-38. Circ 83 sx cmt to surface.

10/12 - 10/15/11 - Drill 7 7/8" hole from 377' to 3115'. Ran 5 1/2" csg & cmt as follows: Ran 75 jts 5-1/2, 15.50#, J-55 casing to 3115'. Lead 170 sx class C 50/50+10% bentonite+.25%R-38+5%salt. Tail 300 sx Class C 50/50+2% bentonite+.25%R-38+5%salt. Circ 7 sx cmt to surface. Released rig at 21:00 10/15/2011.

Spud Date:

10/09/2011

Rig Release Date:

10/15/2011

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 10/24/2011

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 Rep

DATE

11-22-2011

Conditions of Approval (if any):

NOV 22 2011