

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 OGD
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
OCT 11 2011

SUNDRY NOT RECEIVED 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. 30-025-05146
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 type="checkbox"/> FEE <input checked="" 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 TD Pope 26
4. Well Location Unit Letter <u>K</u> : <u>1980</u> feet from the <u>S</u> line and <u>1980</u> feet from the <u>W</u> line Section <u>26</u> Township <u>14S</u> Range <u>37E</u> NMPM County <u>Lea</u>		8. Well Number 12
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3826' DF		9. OGRID Number 247128
		10. Pool name or Wildcat Denton; Devonian

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: 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.

7/26 -8/9/11 MIRU. RIH w/ 4 5/8" bit on 2 7/8" tbg. & rotate through spot @ 1925'. RIH w/ overshot on 2 7/8" tbg to latch onto fish @ 1925', captured pipe. Attempted to RIH w/ slick line to TD of well. Deepest depth @ 4690', paraffin plug. Second attempt to unset pump anchor, pulling 75 pts, tbg parted. POH 1925' w/ 2 7/8" tbg, overshot & 112- 1/2 jts 2 3/8" Buttress production tbg (3413'). RIH w/ 4.86" x 2 3/8" overshot. Ran into tag @ 2251'. POH & RIH w/ impression block. Tagged 1" @ 2146'. Ran in caught 1.08" of 1" crimped top. Pulled 22 pts & parted. Ran back in & captured 50' of 1" inside overshot, pulled 32 pts & parted. POH w/ section of 1" fish on tbg, 106 jts + segment, 3251' LD. Top of 1" now @ 5398'. RIH w/ 4.86" x 2 3/8" overshot on 2 7/8" to 5338'. Get over 2 3/8" down to 1st collar. SL- tagged @ 9362' bridge in 2 3/8". Run free point on 2 3/8" tbg down to 9360' w/ 60 pts pulled, pipe free. RIH w/ large overshot to 5 1/2" liner top @ 4643', no fish. RIH w/ 4.86" x 1" overshot & got on 1" @ 5411', pulled 22 pts, parted, pulled 174'. Top 1" now @ 5585', top of 2 3/8" @ 5589'. RIH w/ 1" overshot. Retrieved 18 jts + piece = 566'. New top of 1" @ 6146'. RIH w/ 2 3/8" overshot. Retrieved 123 jts dropped = 3730' + 40.1' more from below. New top of 2 3/8" @ 9360'. RIH w/ 1" overshot, retrieved tbg from 6136' down to 8000' (1863.96') by swallowing & backing off. RIH w/ 1" overshot & got on 1" pipe @ 8000', swallowed down to 8926'.

*Continued on attached sheet

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 10/04/2011

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE [Signature] DATE DEC 07 2011

Conditions of Approval (if any):

8/10/11 - POH w/ 1", captured 1356.81'. Calculate new top 1" @ 9356.77'. 1" relaxed down below 2 3/8". RIH w/ 4.86" x 2 3/8" overshot to fish on 2 3/8" @ 9360'. Tag @ 30' above liner top @ 4620'. POH. Captured 1 jt of 1" tbg lodged in liner top. Got over 1", engaged, freed from liner top. POH, captured 1 jt dropped, 30.82', current top of 1" @ 9387.59'.

8/11/11 - Retrieve 2 3/8" from 9360' down, grappled fish. RIH w/ 1.71" gauge & hit soft plug @ 9494' could not penetrate. RIH w/ 1 3/4" gauge & 3 sinker bars, worked through plugs down to 12,375'. Free point down to 12,345'. LD 1 jt of 2 7/8".

8/12/11 - Pulled 97 jts (2945') of 2 3/8" from 9360'-12,345'.

8/15/11 - RU to pull 1" from 9388" down to 12,518'. Had a back off occur w/ 2 7/8" tbg @ 4800' while pulling on 1", able to get back on 2 7/8" & torque up. Pulled 115 pts on 1", not free. Torqued rt in an attempt to get free, actually freed 1" tbg stinger on pump. Pulled & LD 3130.41', 1" tbg. Found top of pump @ 12,518'.

8/16/11 - POH w/ tbg & 1" overshot. RU & RIH w/ 2 3/8" overshot w/ jars, 4 DC's (3 1/2"), actuator, x-overs, sub & 2 7/8" tbg to retrieve 2 3/8" buttress & pump assembly. Hung overshot @ 12,200' & did an acid dump (1000 gals 80:20 FE: xylene double inhibited). Spotted acid to btm tbg w/ 40 BFW. Allowed to fall, did 10 bbl spot waiting 10 min between until all acid flushed from tbg w/ 70 BFW. Annulus also injected as acid was pumped. Got on 2 3/8" @ corrected depth of 12,331'. Jarred for 1 1/2 hrs until got assembly moved DH to btm on junk (4').

8/17/11 - POH w/ 2 3/8" fish & pump assembly. Recovered entire production pump equipment, LD 6 jts of 2 3/8" tbg, pump, anchor, perf sub, mud anchor & bull nose. RIH w/ bit (4 5/8"), check valve, 396' tbg, scraper, 9 stands 2 7/8", bailer, 364 jts of 2 7/8" landed @ 12,570', bailed & rotated down to junk @ 12,576'.

8/19/11 - RIH with CNL/CCL to 12,568 TD on junk, correlated with perfs. FL @ 4520' and liner top @ 4640'. Run CNL/CCL from 12,568' to 11,800' and from 10,000' to 8800'. Run CIL in 5 1/2" from 12,250' to 4640'. Run CIL in 8 5/8" from 4640' to surface.

8/20/11 - RIH w/ RBP and set @ 12,180'. Run CBL from 12,180' up to liner top @ 4360'. Top cmt @ 7950', bottom of liner top squeeze at 5610' up to top @ 4930'. TOL top squeeze cmt is below 8 5/8" csg shoe 4828'. Run CBL on 8 5/8" csg, good cmt up to 1100', poor up to 800'.

8/22/11 - RIH w/ 5 1/2" pkr, set @ 8000', test csg below to 12,180' @ 500# psi for 30 min, no loss. Recovered 150 bbls oil. Annulus test w/ pkr @ 8000' @ 500# psi, no recordable loss in psi in 30 min. PU pkr to 5519', csg test @ 500# psi for 30 min, good. Annulus test to 1000# psi for 30 min, lost 125# psi. RIH w/ swab & perform 0 psi test on csg between 12,180'-5519', 6 runs, swabbed well.

8/24/11 - POH w/ PKR and RBP from 12,180'. RIH and set CIBP @ 8275' - test by tagging.

8/25/11 - RU WH - 11" X 11" spool w/ 5-1/2" slip body - 9" BOP w/ 5-1/2" rams on well. RIH w/ 111 jts 5-1/2" 15.5# J-55 LT&C 8rd (4674.03'), tagged liner top @ 4640' with 34" above slips set 2 pts on liner top with alignment tool.

8/26/11 - Mixed cmt (310 sx lead C 50/50 poz w/ 10% Bentonite - 123 bbls) tail (140 sx C w/ 1% CaCl2 - 33 bbls), wash-up prior to displacing w/ FW. Reducing rate until bump plug w/ 110 bbls. Cmt did not return. Pressure to displace from 300 to 1850 psi - full returns throughout job. Float held - kept cmt head on well, SI w/ 0 psi as safety step.

8/29/11 - Pressure test BOP & csg @ 500 psi, no leak off in 20 min. RIH with 4 5/8" window bit, 4- 3 1/2" DC, tag cement @ 4554', drill out plug, baffle, 42' tubing, FC @ 4596', 42' more csg down to alignment tool @ 4640', drill 8" on alignment tool.

8/30/11 - RIH with 6 DC's to 4640'. Drill out alignment tool and 6' cmt below - pressure test csg from BOP to 8275' to 1000# leak off only 40 psi in 30 mins.

8/31/11 - Run string mill thru section from 4527-4689' [only tight @ 4650'] recover aluminum and trace cement. Ran to 8288' - tag CIBP [13' low] and circ clean. POH with string mill. RIH w/ 5-1/2" pkr and set @ 7279' w/ SN @ 7246'.

9/1/11 - Swab well w/ pkr

9/2/11 - POH w/ pkr.. RIH with 4-5/8" Varrel window bit and 6 DC's to DO CIBP @ 8288'. Drill on CIBP 1:18 - through and push to TD @ 12,568'. Pull up hole to 11,908'.

9/6/11 - POH with tbg, 6 DC's, & bit. PU 88 jts P-6 - run in derrick (2554.72'). LD 94 jts 2-7/8" 8rd (3034.80').

9/8/11 - RU to run 4-7/8" tapered mill to top of 20# csg @ 4650' - gauged @ 4.875" - milled thru tight spot @ 4650' - went to 4720' thru 20" csg jt. POH with mill and DC's, gauged now @ 4-3/4". RU and RIH with tapered mill [4-3/4"], 1 DC between, 4-7/8" string mill - 5 DC, down to 4580'. Milled to 4650-50' and 4654-55' - milled with tapered mill to 4723' and string mill down to 4691'.

9/9/11 - Run tapered 4-3/4" mill, 2 DC, 4-27/32 string, 4-29/32 string mill (new), 4 DC & tbg. Milled with top 4-29/32 string mill on tight spots @ 4645-50 and 4654-59.

9/10/11 - RIH w/ 4-5/8" tapered mill with 4-5/8" string mill on top, 6 DC, tbg down to 12,265' - no tags or tight spots.

9/12/11 - RIH w/ GE 850 Pumping unit [102.15' length, 4.56" OD] on tubing to 12,216.30'.

9/14/11 - Pull donut out of seaboard wellhead, MEG DH equipment, showed slight ground on 2 legs, POH with 82 jts of 2 7/8 7.90# PH-6 tbg (2554.72'), x-over, 291 jts of 2 7/8 6.5# L-80 8rd tbg (9559.43'), x-over, 1) 2 3/8 Std S.N., 3) TD850 pumps - 457 stages, 1) TR4 Mag 3 gas separator, 2) TR4 98L seals, 2) TR4 80 Hp 1310V 39A - re-rated to 105 Hp 1443V 47A, 1) Smartguard sensor,

9/15/11 - PU Wood Group sub pump as follows: 1) Smartguard sensor, 2) TR4 80 Hp 1310V 39A motors - rerated to 105 Hp 1443V 47A, 2) TR4 98L seals, 1) TR4 Mag 3 gas separator, 3) TD850 pumps - 457 stages, 1) 2 3/8" Std S.N., x-over, 291 jts of 2 7/8" 6.5# L-80 8rd tbg (9559.43').

9/16/11 - RIH with 82 jts of 2 7/8" 7.90# PH-6 tbg (2554.72'). Set @ 12,216.30'. Splice lower pigtail into NEW # 4 flat lead cable, land donut into seaboard WH, WIR - 96000, NDBOP, NUWH, check rotation, start pumps up at 56 Hz straight freq., pumped up in 28 min. RD. Well now producing.

T. D. Pope "26" # 12 - 1980' FSL & 1980' FWL of Sec. 26, T-14S, R-37E, Unit Letter "K"

API # 30-025-05146

