

District I

Energy, Minerals and Natural Resources

October 13, 2009

1625 N. French Dr., Hobbs, NM 88240

HOBBS OGD

District II

1301 W. Grand Ave., Artesia, NM 88210

OIL CONSERVATION DIVISION

District III

100 Rio Brazos Rd., Aztec, NM 87410

DEC 06 2011 1220 South St. Francis Dr.

District IV

1220 S. St. Francis Dr., Santa Fe, NM

Santa Fe, NM 87505

87505

RECEIVED

<p>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.)</p>		<p>WELL API NO. 30-025-36933</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator Celero Energy II, LP</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701</p>		<p>7. Lease Name or Unit Agreement Name T D Pope 35</p>
<p>4. Well Location Unit Letter <u>B</u> : <u>810</u> feet from the <u>N</u> line and <u>1980</u> feet from the <u>E</u> line Section <u>35</u> Township <u>14S</u> Range <u>37E</u> NMPM County <u>Lea</u></p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3810'</p>		<p>9. OGRID Number 247128</p>
		<p>10. Pool name or Wildcat Denton; Devonian</p>

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: Perf and acidize <input checked="" type="checkbox"/></p>	

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.

9/23/11 - POOH w/ production tbg.
 9/24/11 - TIH w/ 7" x 4" Arrow-Pak retrieving tool, 258 jts 2 7/8" 8rd tbg, x-over, 107 1/2 jts 2 7/8" PH-6 tbg, latch onto Arrow-Pak pkr, release pkr. POH w/ pkr & tbg.
 9/27/11 - RIH w/ GR/CCL/CNL to 12,360'. PU every 10' to 12,500'. Log from 12,500'-11,800' & 10,000'-8800'. Correlate to Schlumberger OH log dated 1/16/2005. Found top of fluid @ 9018'. RIH w/ 7" TS bridge plug, CST pkr & 334 jts tbg.
 9/28/11 - Set RBP 382 jts + 25' in at 12,341', set pkr at 12,316', load tbg with 54 bbls, test tools to 1000 psi for 15 minutes. Tbg went on vacuum as bleeding off psi, load casing with 261 bbls, load tbg with 39 bbls, psi csg to 300 psi, psi tbg to 300 psi, 15 minutes no bleed off. POH with tbg and pkr.
 9/29/11 - RIH with CCL, 3 1/8" slick guns, tag fluid at 2200', tag TSU BP at 12,348'. Correlate to GR/CCL/CNL dated 9-27-2011. Perforate 12280' - 12320' - 80 holes, 12245' - 12255' - 20 holes, 12157' - 12166' - 20 holes, 12120' - 12138' - 36 holes, 12038' - 12060' - 44 holes in 5 runs, FFL at 2360' FFS.

* 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 10/19/2011

or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY [Signature] TITLE State Manager DATE 12-7-2011

Conditions of Approval (if any):

DEC 08 2011

TD Pope 35 #1 – C103 continued

10/3/11 - Acidize new perfs 12,038' - 12,320' with 12,000 gal 15% NEFE HCL, with 2550# 50/50 100 mesh / graded rock salt in 3 stages, 4 stages of Inhibitor, flush with 170 BFW, ISIP 2350, 5 min 1880, 10 min 1445, 15 min 1040, max psi 6100, avg psi 5300, max rate 9.3, avg rate 7.5. Total Load 998 bbls. Release pkr, TIH and tag at 12,317'. Pull pkr back up to 11,834', leave pkr swinging.

10/4/11 - POH w/ CST pkr & overshot. RIH w/ overshot & tag @ 12,317'. Release BP. POH w/ 106 jts PH-6 tbgs.

10/5/11 - POH w/ TSU bridge plug. RIH w/ 7" x 3 1/2" Baker TAC w/ 2.812X x 3 1/2" profile nipple, overshot, 2 7/8" SN. RIH w/ 30 jts 2 7/8" tbgs, LD 17 jts 2 7/8" tbgs. Resume TIH, total 261 jts 2 7/8" 6.5# L-80 8rd tbgs (8495.30'), x-over, 112 jts 2 7/8" PH-6 tbgs (3503.51'), set TAC @ 12,000', release on/off. POH w/ tbgs & overshot.

10/6/11 - PU GE sub pump as follows: 1- Smartguard, 1- 540 120 HP motor 2165V 33A, re-rated to 180 HP 2525V 43A, 1- 540 DGB seal, 1- 540 std seal, 1- MAG3 gas separator, 3- SD850 pumps – 456 stages, 1- 2 3/8" SN, x-over, 257 jts 2 7/8" 6.5# L-80 8rd tbgs (8367.27'), x-over, 112 jts 2 7/8" PH-6 tbgs (3503.51').

10/7/11 - Splice new lower pigtail onto #4 flat lead cable, WIR 110,000. Land donut into Seaboard WH, intake at 11,935.69', btm of Smartguard at 11,969.39'. NDBOP, Nu Mv and FL, check rotation, start pumps at 10:43 Cst at 58 Hz. Well pumped up in 20 minutes. RDPU. Leave well pumping to battery.