

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87401
District IV - (505) 476-3460
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
Revised August 1, 2011

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.)		WELL API NO. 30-005-29181
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 Rock Queen Unit
4. Well Location Unit Letter <u>B</u> : 500 feet from the <u>N</u> line and 1650 feet from the <u>E</u> line Section 34 Township 13S Range 31E NMPM County Chaves		8. Well Number 312
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 247128
		10. Pool name or Wildcat Caprock; Queen

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

11/24/11 - Spud & drill 11" hole to 377'.

11/25/11 - Ran 9 jts 8-5/8" csg to 377' cmt w/ 275 sx & circ 37 sx (9 bbls) to surface. Bump plug with 750#, release psi, got 1/4 bbl back, floats held. WOC. Cut off & weld WH. NU & test BOP.

11/26 - 11/30/11 - Drl 7-7/8" hole to 2910'. Hit 10' open hole cavity at 2910'. Lost 100% circulation at 2910'. Pump 60 bbl 20 ppb LCM pill, did not get returns. Dry drl from 2910' to 2977'.

12/1/11 - Dry drl from 2977' to 3030'. 100% losses. Pull up to 2979', hole dragging 40K overpull & hole collapsed. TIH to 1200', tagged bridge. Wash & ream from 2930' to 3030', pumping sweeps to control hole collapse.

12/2/11 - Dry drl from 3030' to 3115'. 100% losses. LD drill pipe to 2299'.

12/3/11 - Condition weighted pill and pump to kill well. Lay down drill pipe to 2448'. Pump 12# mud and kill well. Lay down drill pipe to 1513'.

12/4/11 - Run 5 1/2" csg, tag tight spot from 588' to 1244'. Csg packing off, pulling 90K to pull out, LD csg to 588'. Wash down csg from 588' to 697' and lost returns.

Spud Date:

11/24/2011

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 12/12/2011

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

DATE

Conditions of Approval (if any):

REGULATORY ENGINEER

DEC 15 2011

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