

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 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

HOBBS OCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

JAN 18 2012

RECEIVED

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 B : 500 feet from the N line and 1650 feet from the E 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: Release rig ☒

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.

12/5/11 - DP tagged at 615'. Ream & wash to 1512' where we got a kick and SWI, lost circulation.

12/6/11 - Ream & wash from 2173 to 3115. TOH to 2800' to set cement plug.

12/7/11 - Set 1st cmt plug w/ 200 sx @ 2800'. Tag cmt @ 2950', pull out to 2800'. Set plug #2 w/150 sx, pump 5 bbls brine @ 2800'.

Pull 10 stds, pump 10 bbls & pull 6 stds. WOC plug. Tag @ 2950'. Pumped 1.5 times annular capacity & did not have any returns.

12/8/11 - TOH 6 stands to 2450'. Pump plug #3 with 200 sx cement 2% cacl @ 2450'. Pull 13 stands to 1418' and got stuck (27 total stands out). Ream back through tight spot from 1418' to 1544'. Tag cmt @ 2446'. Drl cmt to 2550'. Ream w/ full returns.

12/9/11 - LD 12 joints. TOH to csg shoe @ 377'. Ream from 450' to 2550'. Drl cmt from 2550' to 2610'.

12/10/11 - Drl cmt from 2610' to 2670'. Mix LCM pills, pump & spot on btm at 2670', regain circulation. Mix LCM pills, pump & spot on bottom at 2670', had full returns. Trip out 8 stands & wait 3 hrs. TOH to 500'. TIH & tag btm @ 2950'. Pump LCM pill @ 2950', had full returns during pumping operations. TOH to 1400'.

12/11/11 - TIH to 2550'. Mix & pump 60 bbl, 20 #/bbl pill. Set plug #4 @ 2550' w/ 200 sx cmt. WOC. TOH to 1400'. TIH & tag @ 1637'. LD 10 joints. Drl cmt from 1637' to 2237'.

* Continued on attached sheet

Spud Date:

11/24/2011

Rig Release Date:

12/13/2011

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 01/10/2012

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

JAN 19 2012

Conditions of Approval (if any):

JAN 23 2012

Rock Queen Unit #312 – C103 Continued

12/12/11 - Drl cmt to 2500' then went into OH but did not lose circulation. TIH & tag @ 2802'. Trip out 4 stands. Circulate & condition mud.

12/13/11 - LD DP & DC's. Ran 5 ½", 15.50#, J-55 csg & set @ 2775'. Cmt two stage cmt job as follows: 1st stage: 125 sx class C. Bump plug w/ 700# psi, release got ½ bbl back, floats held, dropped bomb, opened DV tool & circ 82 sx cmt off top of DV tool to surf. Circ 5 hrs prior to doing 2nd stage. 2nd stage: 450 sx Class C. Cmt job had full circ throughout job but did not circulate cmt to surf. Bump plug w/ 2070 psi released pressure, got ½ bbl back floats held. Set csg slips with 40k, nipple down stack.

12/14/11 - LD BOP, install tbg head & cap. Release rig at 09:30am on 12/13/11.