

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  
**HOBBS OCD**  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
FEB 02 2012

Form C-103  
Revised August 1, 2011

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-005-00932
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input 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>L</u> : 1980 feet from the <u>South</u> line and <u>660</u> feet from the <u>W</u> line Section <u>36</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>Chaves</u>		8. Well Number <u>91</u>
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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Ran MIT ☒

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.

1/20/12 - NDWH & NUBOP. TIH w/ tbg & new on-off tool. Ran to top of 4" liner at 2301'. TOH. TIH w/ tbg & 3 1/2" tapered mill. Milled TOL. TOH. Reran tbg w/ on-off tool for 4" AS1-X pkr. Lower on-off tool & tag 10' of fill on top of pkr. Latch onto pkr at 3032' & move up hole. Test 5 1/2" csg, top of 4" liner & 4" liner from 2301' to top of pkr at 3032'. Held 600# with no pressure lost.

1/21/12 - TOH w/ tbg & pkr. Ran 93 jts of 2 3/8", 4.7#, 8rd, EUE, J-55 IPC tbg & 2 3/8" x 2' IPC tbg sub w/ 4" AS1-X nickel plated pkr with 1.50" "F" profile nipple. Landed tbg with T-2 SS on-off tool. Ran & set pkr from 3024' to 3034'. Test tbg-csg annulus w/ 540# & held ok. NDBOP & NU, 7 1/16", 3K slip type WH with donut. Release from on-off tool, circulate hole w/ pkr fluid. Test tbg-csg annulus w/ 500# & held ok.

1/23/12 - Ran MIT. Test for 42 mins from 520# to 510#. Held ok. Test was not witnessed by OCD. Original chart is attached.

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 01/31/2012

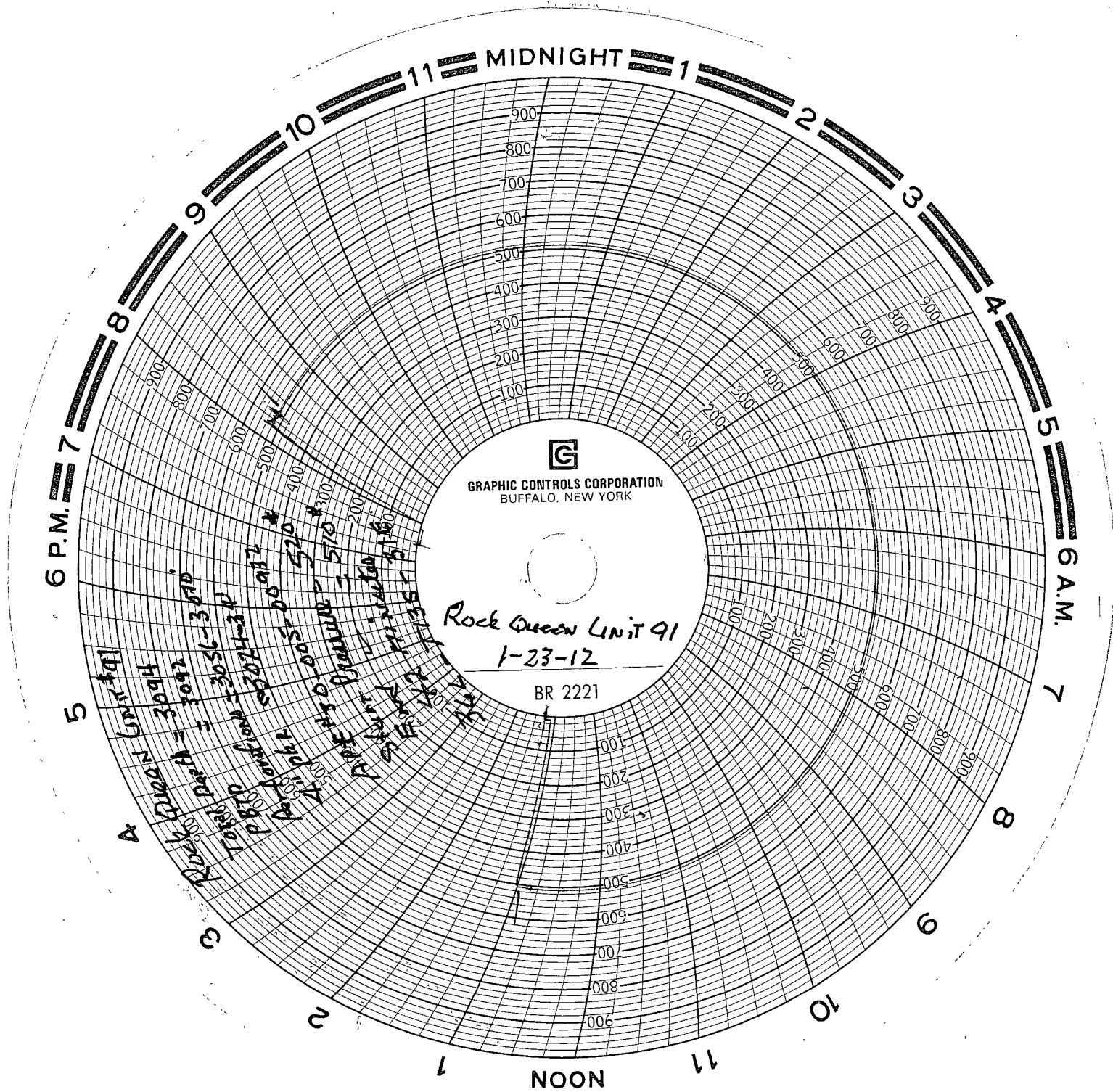
Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

**For State Use Only**

APPROVED BY [Signature] TITLE STAFF MGR DATE 2-6-2012

Conditions of Approval (if any):

FEB 06 2012



~~Alan Parkhurst~~  
Representative for Celso Energy II, L.P.