

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNew Mexico Oil Conservation Division, District I
HOBBS OCD 1625 N. French Drive
Hobbs, NM 88240FORM APPROVED
BLM No. 1004-0137
Expires: July 31, 2010

MAR 13 2012

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NM120355

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well☐ Gas Well☐ Other

2. Name of Operator

Celero Energy II, LP

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 (I); T13S; R31E
1980' FSL & 660' FEL

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

Drickey Queen Sand Unit #904

9. API Well No.

30-005-00913

10. Field and Pool or Exploratory Area

Caprock; Queen

11. Country or Parish, State

Chaves

NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1/30 - 2/3/12

POOH w/ rods. Latch onto 2 7/8" prod tbg & PU on pipe & WH & 5' section of 5 1/2" csg came w/ it. Load hole w/ 26 bbls PW. Tag TD @ 3028' (tally). Loggers TD @ 3028'. Circ 136 BPW. Pump 20 BFW ahead, pump 25 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 15.5 bbls. Well started circ after 34 bbls in. Pulled up 1000'. Pumped 12 BPW & clear tbg. Tag plug @ 2983'. Had 45' plug. Pump 5 BFW spacer. Circ w/ 1 bbl gone, pump 25 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 15 bbls. TOH 32 jts, circ & clear tbg. WOC 4 hrs. Mix 65 bbls 10.1# 35 VIS mud. TIH & tag plug @ 2741'. LD 1 jt. RIH w/ 2 7/8" gauge ring & tag @ 2680'. POOH. Cut off mud anchor (2675'). Circ 9.8# 33 VIS mud to 2200'. TOH w/ tbg to 2100'. RIH w/ strip shot & shoot 4 SPF @ 2150'. Lwr tbg to 2200'. Lead w/ 5 BFW. Pump 40 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 15 bbls. Pull 992' tbg. Pump & clear tbg. Tag @ 2045'. Mix mud & circ 9.8# 33 vis mud to 1600'. TOH to 1400'. RIH w/ strip gun, btm tbg @ 1446'. Shoot 4 SPF @ 1545'. TIH w/ tbg to 1600'. Pump 3 BFW, establish circ, cmt w/ 40 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 8 bbls. WOC 4 hrs. Tag @ 1455'. LD 3 jts tbg plugged. Unsuccessful attempt to pump plug out. RIH w/ jet cutter & C/O @ 1365'. LD 11 jts & TIH w/ jts to 1362'. Circ brine mud to surf. TOH to 175'. Shoot 4 SPF @ 260'. TIH to 299'. Pump 130 sx Class "C" cmt w/ 2% CaCl2 to surf. RD. Set P&A marker & reclaim location. Well is now P&A'd.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 02/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Title

Date

MAR 06 2012

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

ENDING

AUG 03 2012

APPROVED AS TO PLUGGING OF THIS
WELL BORE. LIABILITY UNDER BOND
IS RETAINED UNTIL SURFACE RESTORATION
IS COMPLETED

MAR 14 2012