

SUNDRIY 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.

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)

660' FNL & 1988' FWL
(C) Sec 22, T14S, R31E

5. Lease Serial No.

LC 070336

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Drickey Queen Sand Unit #50

9. API Well No.

30-005-01133

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

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.)

11/2-11/7/11 PU 4 3/4" bit, BS, 6- 3 1/2" DC's, x-over & TIH w/ 90 jts 2 7/8" WS. Tag @ 3087'. PU swivel & C/O to TD @ 3102'. Circ hole clean & TOH. PU 5 1/2" csg scraper & make scraper run to 3060'. PU 5 1/2" AS1-X pkr & TIH w/ 93 jts 2 7/8" WS to 3005'. Set pkr & attempt to test csg. Csg would not pressure up. Established injection rate of 2.2 BPM @ 250#. Hook up to 8 5/8" x 5 1/2" annulus, load & pressure up. Unseat pkr & TOH PU 5 1/2" RBP & pkr. TIH & set RBP @ 645', load hole & attempt to test. Did not test. Injection rate 1.7 BPM @ 400#. Move RBP down to 774', re-test & test RBP to 700#, test ok. Set pkr @ 677', test ok. Moved pkr up to 612', no test, hole between 612' & 645'. Injection rate 1 BPM @ 200#. POOH w/ pkr. TIH to recover RBP. Had to wash over RBP to latch on. TOH w/ RBP. TIH w/ CIBP to 3000' w/ 93 jts 2 7/8" WS. Set CIBP & TOH. Load hole w/ 24 BPW. Run CIL & CBL. TOH LD 93 jts 2 7/8" WS

3/21-3/22/12 TIH to 2988' w/ PS & BP. Circ salt mud to 2260'. Pump 25 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 9 bbls brine mud. TOH 16 stds. TIH w/ PS & BP, tag @ 2780'. Circ mud to 2260'. Raise tbg to 2260' & spot 25 sx plug. Pump 25 sx Class "C" cmt w/ 2% CaCl2. Lead w/ 5 bbls mud. Displace w/ 7 bbls mud. TOH w/ 16 stds. WOC 4 hrs. TIH w/ PS & BP, tag @ 1980'. Circ mud to 1500'. Raise tbg to 1510'. Pump 25 sx Class "C" cmt w/ 2% CaCl2. Displace w/ 4 bbls. TOH 16 stds & WOC 4 hrs. TIH w/ PS & BP, tag @ 1320'. TOH. RU & run WL, shoot 6 SPF @ 377' TIH w/ PS & BP to 440'. Try to circ 5 1/2" x 8 5/8" annulus. Could not circ. Psi varied from 500-300# @ 2 BPM. Tried to rev, still would not circ. TOH. * Continued on attached sheet

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

Lisa Hunt

Title Regulatory Analyst

Signature

Date 04/12/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Title

Date

MAY 02 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 HOSWELL 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.

APPROVED FOR 6 MONTH PERIOD

ENDING

SEP 28 2012

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

MAY 09 2012

Drickey Queen Sand Unit #50 – Sundry continued

3/23/12 - TIH w/ PS, BP & 2 jts. TOH. PU AD-1 pkr. TIH w/ 2 jts. Set pkr @ 61'. Pump 110 sx Class "C" cmt w/ 2% CaCl₂. Displace w/ 5 bbls mud to 250'. Inj psi 300#. SWI. WOC 4 hrs. TIH w/ PS & BP. Tag @ 312', no circ. TOH. RU & run WL. Shoot perfs 6 SPF @ 100'. TIH to 150' & circ. Would not circ, @ 300# popped off BOP flange. Per BLM @ 150', fill to surface w/ cmt 20 sx Class "C" cmt w/ 2% CaCl₂.

✕ 3/28/12 - Set marker & reclaim location. Well is now P&A'd.