

HOBBS OCD
Form 3160-3
(August 2007)

1625 N. French Drive
Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

MAY 11 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5 Lease Serial No.
LC-068288-A

6 If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED
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 *Inj.*

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

7. If Unit of CA/Agreement, Name and/or No.
R1541

8. Well Name and No.
Rock Queen Unit # 301

9 API Well No.
30-005-29192

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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 recomplete 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 recompletion 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.

2/15/12 - Release pkr & TOH w/ 2 3/8" IPC tbg with 4" AS1-X pkr. PU 4" RBP & 4" pkr Ran on 2 3/8" OD tbg WS Ran & set RBP @ 3003' Set pkr @ 2971' Test tbg-csg annulus w/ 1000# w/ no pressure lost. Pump down tbg @ 1/2 BPM & 1000# Lwr pkr to 2993' & tbg stopped flowing but well flowed out tbg-csg annulus. Reset RBP @ 2971' w/ pkr swinging @ 2955' Test RBP @ csg to 1000# & held 4" liner is leaking between 2971' & 2993'.

2/16/12 -Set Kenco's, 5K, 4" CIBP @ 3040' PU 2 3/8" OD tbg WS w/ 4" AD-1 pkr. Ran to 3028'. Test CIBP to 1500# & held Raise pkr to 2654'. Load & test tbg-csg annulus to 500# & held Pump 15 BFW down tbg into 4" csg leak from 2971' to 2993' at 1.5 BPM & 1600#. Pump 50 sx of Class "C" cmt w/ 2% CaCl2, mixed at 14.8 ppg w/ a 1.32 yield Displace cmt w/ 11.2 BFW (1 bbls below pkr) at 1 BPM & 900# Pressure fell back to 475#. Staged cmt 3 times, pumping an additional 0.8 bbls and well squeezed with 2000# SD pressure, Left estimated TOC @ 2892'.

2/17/12 - WOC 20 hrs Release pkr & TOH TIH w/ tbg & 3 1/4" OD bit. Tag cmt in 4" liner @ 2779'.

2/20/12 - WOC 63 3/4 hrs Drill cmt from 2779' to 2960'. Fell out of cmt @ 2960' Circ hole clean Test cmt sqz of 4" liner w/ 500# & held

* Continued on attached sheet

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Lisa Hunt Title Regulatory Analyst

Signature *Lisa Hunt* Date 02/27/2012

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **/S/ DAVID R. GLASS** Title _____ Date _____

Conditions of approval: I, the undersigned, approve of this notice does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

MAY 8 2012
EGS-14-2012

Title 18 U.S.C. Section 1011 and 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 statement or representation as to any matter within its jurisdiction.

(Instructions on page 2)

MAY 14 2012

Rock Queen Unit #301 -- Sunday continued

2/21/12 - TIH w/ tbg 3 - 2 7/8" DC's and 3 1/4" cone buster mill. Tag at 3036'. Top of 4" CIBP/ tally. D/O CIBP in 2 3/4 hrs & pushed same to 3113'. Did not find any cmt below CIBP & well started backflowing when CIBP was drilled. Circ hole clean.

2/22/12 - TOH w/ tbg, DC's & mill. TIH w/ 2 jts of 2 3/8" OD, 2500# WP fiberglass tbg (59'), 2 3/8" x 1.9" x-over, 4" ASI-X nickel plated pkr with 1 50" "F" profile nipple, T-2 on-off tool & 90 jts + 1-10' & 1-8' of 2 3/8" OD 4.7# 8rd EUE J-55 IPC tbg (2941') with Hunting's special thread lubricant. Ran and set pkr from 2943' to 2949' w/ fiberglass tbg from 2949' to 3008' (G.L.). Release on-off tool from pkr, circ pkr fluid, lower on-off tool & latch back onto pkr, placing 6 pts of tension on same. NDBOP, install donut on 2 3/8" tubing below the 7 1/16" x 2 3/8" slip type WH flange install 2 1/6" SS tbg valve to prepare to start fluid injection.

2/23/12 - Ran MIT Test for 31 minutes @ 540# Test is good. Test was approved by Maxey Brown w/ OCD. Original chart is attached. Well ready for injection.

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

2/23/2012
BR 4717

PER @ 2941
T-PER @ 3054
APPROVED TERRY WARNELL
SANTA FE

CELERO
ROCK QUEEN UNIT #301
A 25-13-31
30-005-29192

INITIAL TEST
START 540#
FINAL 540#
TIME 21 min
Maley Brown

MISS
1000# / 60 min
CAL: 9-10/4/2011

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