

New Mexico Oil Conservation Division,  
1625 N. French Drive  
Hobbs, NM 88240

Form 3160-5  
(March 2012)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBES OCD

FORM APPROVED  
OMB No 1004-0137  
Expires, October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS** JUL 17 2012  
*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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-070337
2. Name of Operator Celero Energy II, LP		6. If Indian, Allottee or Tribe Name
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
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 660' FWL (M) Sec 10, T14S, R31E		8. Well Name and No Drickey Queen Sand Unit #37
		9. API Well No 30-005-01034
		10. Field and Pool or Exploratory Area Caprock; Queen
		11. County 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 recompleat 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 recompleat 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.)  
6/15/12 RIH W/ CIBP & SET AT 2730'. CAP CIBP W/ 25 SX CL "C". WOC. TIH TO 2700' & CIRC MUD TO 1893'. SHOOT 4 SPF @ 1893'. P/U AD1 PKR. TIH, COULD NOT GET PKR TO GO. L/D PKR & TIH TO 1960'. PUMP 50 SX CL "C", DISP W/ 6 BBLs MUD.

6/18/12 - TAG @ 1523'. CIRC MUD TO 1277'. TOH. SHOOT 4 SPF @ 1277'. TIH TO 1330', PUMP 50 SX CL "C". WOC. TIH & TAG @ 918', CIRC MUD TO SURF & TOH. SHOOT 4 SPF @ 100'. TIH OE TO 160', CIRC CMT TO SURF 50 SX CL "C" W/ 2% CACL. TOP OFF CSG.

6/20/12 - SET MARKER & RECLAIM LOCATION. WELL NOW P&A'D.

APPROVED FOR 6 MONTH PERIOD  
ENDING DEC 20 2012

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

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Lisa Hunt		Title Regulatory Analyst
Signature <i>Lisa Hunt</i>		Date 07/09/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <b>/S/ DAVID R. GLASS</b>	PETROLEUM ENGINEER	Date JUL 10 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

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)

JUL 19 2012