

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

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

Energy, Minerals and Natural Resources

Revised August 1, 2011

RECEIVED

AUG 13 2012

OIL CONSERVATION DIVISION

HOBBSOCD

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-09863
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Priest
8. Well Number 3
9. OGRID Number 247128
10. Pool name or Wildcat Denton; Devonian
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS (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.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Celero Energy II, LP	
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701	
4. Well Location Unit Letter C : 660 feet from the N line and 1950 feet from the W line Section 1 Township 15S Range 37E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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: ☐

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. Spot 50 sx Class H plug @ 12410'. PU, WOC 4 hrs & tag at/above 12310'.
2. Circ min 9.5 ppg salt mud to 9500". PU to 11500' & spot 35 sx Class H @ 11500'.
3. PU, WOC a min of 4 hrs & tag TOC at/above 11,400'.
4. PU to 9500' + spot 100 sx Class H. PU, WOC a min of 4 hrs & tag TOC.
5. Pressure test csg to 500 psi for 30 mins. Circ inhibited FW to surface. LD tbg, top off csg.
6. Give notice & schedule formal MIT.

Condition of Approval: Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart

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 08/10/2012

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

For State Use Only

APPROVED BY: [Signature] TITLE Director DATE 8-13-2012
Conditions of Approval (if any):

AUG 15 2012

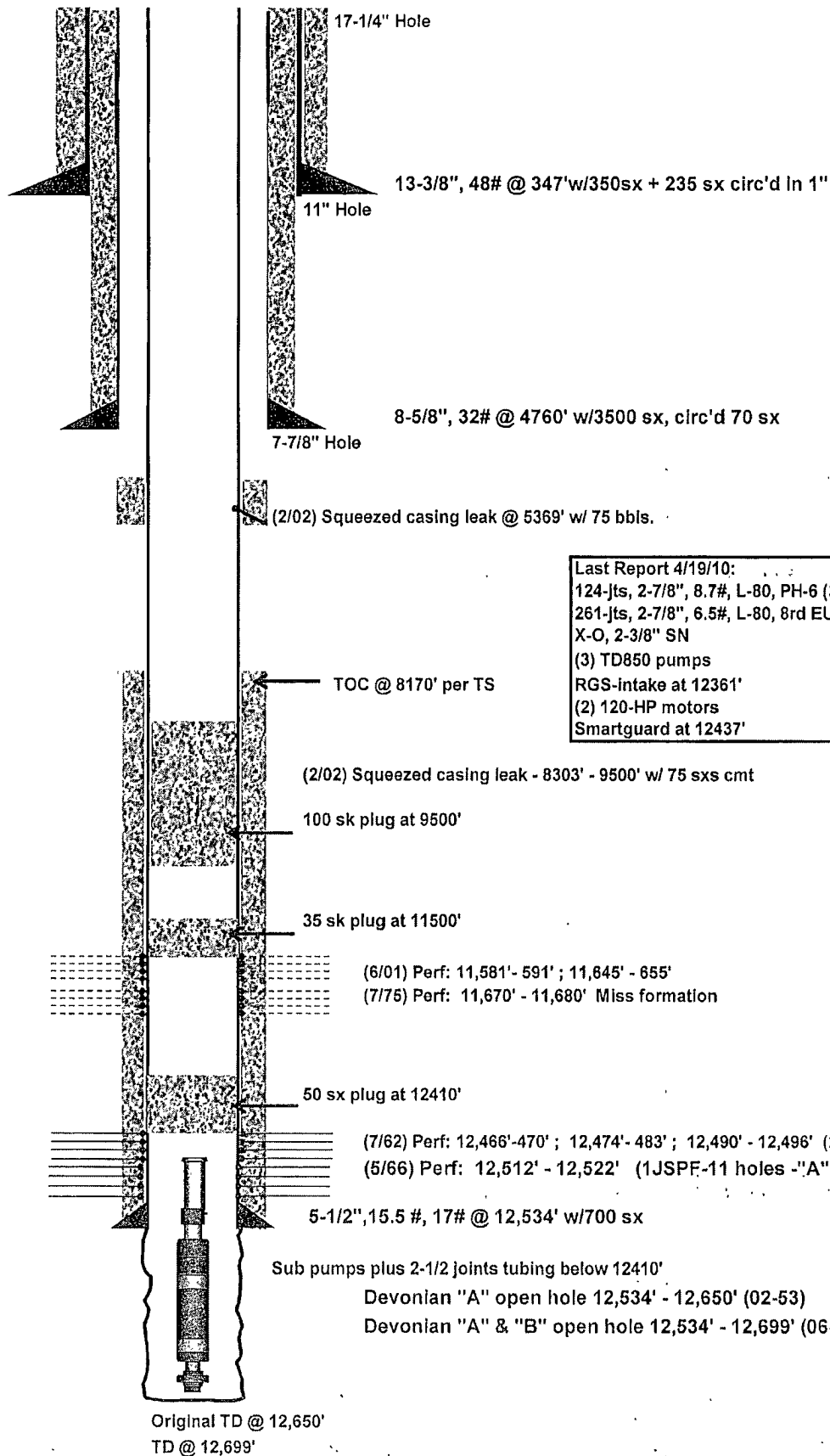
Priest # 3 - 660' FNL & 1650' FWL of Sec. 1, T-15S, R-37E, Unit Letter "C"

API # 30-025-09863

Spud: 9/28/52

Compl:

KB: 3809'



Last Report 4/19/10:

124-jts, 2-7/8", 8.7#, L-80, PH-6 (3477'), X-O

261-jts, 2-7/8", 6.5#, L-80, 8rd EUE (8839')

X-O, 2-3/8" SN

(3) TD850 pumps

RGS-intake at 12361'

(2) 120-HP motors

Smartguard at 12437'