

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Artec, NM 87410  
Phone (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy Minerals and Natural Resources

HOBBS OCD

Form C-101  
Revised August 1, 2011

Oil Conservation Division

SEP 20 2012

Permit

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

\* Amended

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Celero Energy II, LP 400 W. Illinois, Ste. 1601 Midland, TX 79701		<sup>2</sup> OGRID Number 247128
		<sup>3</sup> API Number 005-00688
<sup>4</sup> Property Code 39497	<sup>5</sup> Property Name State 36	<sup>6</sup> Well No. 2

<sup>7</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
O	36	12S	31E		660	S	1980	E	Chaves

<sup>8</sup> Pool Information

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Additional Well Information

<sup>9</sup> Work Type E	<sup>10</sup> Well Type O	<sup>11</sup> Cable/Rotary R	<sup>12</sup> Lease Type S	<sup>13</sup> Ground Level Elevation 4395'
<sup>14</sup> Multiple No	<sup>15</sup> Proposed Depth 3055'	<sup>16</sup> Formation Queen	<sup>17</sup> Contractor Unassigned	<sup>18</sup> Spud Date 09/30/2012
Depth to Ground water 200' Est		Distance from nearest fresh water well		Distance to nearest surface water

<sup>19</sup> Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	11"	8 5/8"	25#	294'	135 sx	Surf - Calc
Prod	7 7/8"	5 1/2"	15.5#	2990'	600 sx	253' - Calc
						Expires 2 Years From Approval Date Unless Drilling Underway

Casing/Cement Program: Additional Comments

Re-Entry

Well sketch, well history & re-entry procedure attached. H2S Contingency Plan on file.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Manual	3000	1000 psi	Unassigned

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOC guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Lisa Hunt

Title: Regulatory Analyst

E-mail Address: lhunt@celeroenergy.com

Date: 09/18/2012

Phone: (432)686-1883

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

OCT 03 2012

Conditions of Approval Attached

OCT 03 2012

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
AMENDED REPORT

HOBBS OCD  
SEP 20 2012  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-005-00688		<sup>2</sup> Pool Code 8559		<sup>3</sup> Pool Name Caprock; Queen	
<sup>4</sup> Property Code 39497		<sup>5</sup> Property Name State 36			<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 247128		<sup>8</sup> Operator Name Celero Energy II, LP			<sup>9</sup> Elevation 4395'

<sup>10</sup> Surface Location

UL or lot no. 0	Section 36	Township 12S	Range 31E	Lot Idn	Feet from the 660	North/South line S	Feet from the 1980	East/West line E	County Chaves
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Lisa Hunt</u> Date: <u>9/18/12</u> Printed Name: <u>Lisa Hunt</u> E-mail Address: <u>lhunt@celeroenergy.com</u>	
	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: Signature and Seal of Professional Surveyor:	
	Certificate Number:	