

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 87401
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD

NOV 01 2012

RECEIVED

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

<p>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.)</p>		<p>WELL API NO. 30-025-07306</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input checked="" type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator Celero Energy II, LP</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701</p>		<p>7. Lease Name or Unit Agreement Name F M Holloway</p>
<p>4. Well Location Unit Letter B : 660 feet from the N line and 1980 feet from the E line Section 13 Township 17S Range 38E NMPM County Lea</p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>		<p>9. OGRID Number 247128</p>
<p>10. Pool name or Wildcat SWD; San Andres-GL-Pad-BLI-Tubb</p>		

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: Repair leak ☒

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.

10/22/12 - RIH w/ 1 9/16" tbg punch & CCL. Locate collar @ 4672', shoot 4 holes @ 4687', psi increased to 170# on 7" csg. POH. Pump 138 bbls 11.2# mud down csg, csg on vac. Pump 42 bbls 11.2# mud down 3 1/2" tbg, tbg on vac. ND master valve & B1 tbg hanger flange. NU hydraulic BOP, release pkr. POH, LD 155 jts 3 1/2" 9.20# duo line tbg, x-over, 7" x 2 7/8" model "R" pkr, unload & rack 168 jts 2 7/8" 6.5# L-80 8rd WS. RIH w/ 7" Rotovert csg scraper, x-over, 50 jts 2 7/8" tbg.

10/24/12 - Unload & rack 151 jts 3 1/2" 9.3# L-80 8rd IPC tbg (4931.23'). RIH w/ 7" x 3 1/2" nickel plated AS-1X pkr w/ Carbide slips & duo line mandrel bore 2.995 ID, 2.31 F 316 stainless steel PN w/ Baker 2.31 FWP plug in place, nickel plated T-2 on/off tool w/ stainless steel top sub, 146 jts 3 1/2" 9.3# L-80 8rd IPC. Set pkr at 4783.85', test 7" csg to 580# for 30 mins w/ 15# increase.

10/25/12 - Release on/off tool, circ 120 bbls mud to frac tank w/ FW, latch up on profile nipple, psi test with chart recorder to 560# for 41 min w/ no change in psi. Release on/off tool, circ hole with 200 bbls pkr fluid, NDBOP, latch up on profile nipple, pull 20 pts tension. Pkr started dragging up hole, NU stripper head, move pkr down & reset, pull 20 pts tension, pkr started dragging up hole. Release pkr, pump 120 bbls mud, 50# on csg. * Continued on attached sheet

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 10/30/2012

Type or print name Lisa Hunt

E-mail address: lhunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY

[Signature]

TITLE

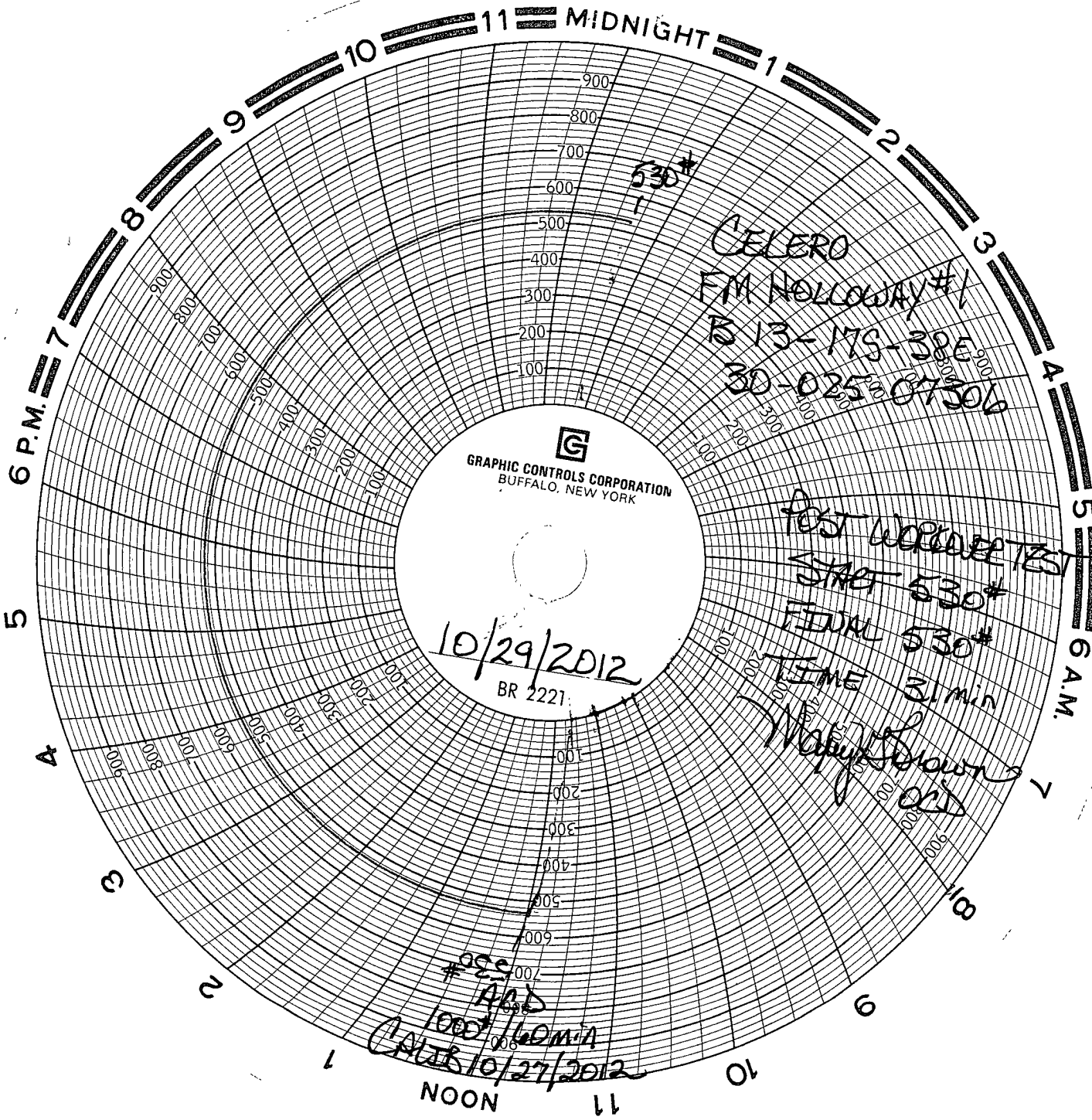
[Signature]

DATE

11-6-2012

Conditions of Approval (if any):

NOV 06 2012



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

10/29/2012
BR 2221

CELERO
FM HOLLOWAY #1
B 13-175-38E
30-025-07306

POST WORK TEST
START 530#
FINAL 530#
TIME 3.1 min
Wally Brown
O.D.

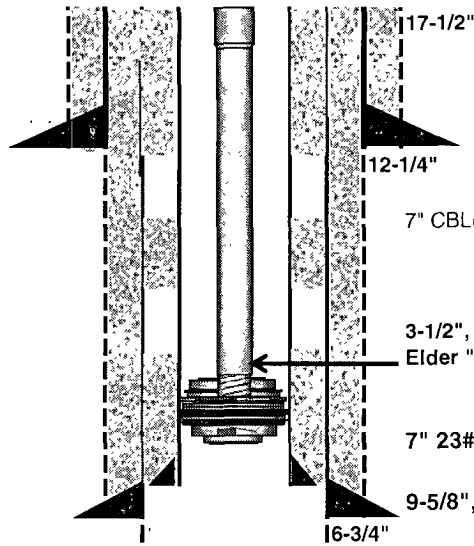
#025
A.C.D
100% 160 min
CALIB 10/27/2012

F M Holloway #1 – C103 continued

10/26/12 - 50# on csg, pump 35 bbls 12# mud. POH with 3 1/2" tbg & pkr, no visable problems with pkr. RIH with 40 arm caliper to 4813', log up to 4500'. POH with tools. RIH new 7" X 3 1/2" NP AS1-X pkr w/ duo line bore & carbide slips, 2.995 ID, 2.31F 316 stainless steel profile nipple, NP T-2 on/off tools with stainless steel top sub, 145 jts 3 1/2" 9.3# L-80 8rd IPC tbg, 2', 8, 10, 3 1/2 9.3# L-80 8rd IPC tbg subs. Set pkr with 20 pts tension at 4780.33', test 7" X 3 1/2" to 560# w/ no change in psi for 15 min.

10/30/12 - Load tbg with 37 bbls pkr fluid, release on/off tool, circ hole with 163 bbls pkr fluid, 200 bbls total. Latch up on profile nipple, strip BOP over top of tbg, NU B1 tbg hanger flange, land pkr w/ 20 pts tension, psi csg to 530# for MIT. Ran MIT. Tested to 530# psi for 30 mins. Test witnessed & approved by Maxey Brown w/ NMOCD. RIH & pull 2.31 FWP plug. Flow mud back out of hole, hook well up & start injection.

F. M. Holloway #1 SWD - 660' FNL & 1980' FEL of Sec. 13, T-17S, R38E



Spud: 6/54
 Compl: 9/54
 ELEV: 3708' KB
 API #: 30-025-07306

13-3/8", 48#, H-40, ST&C @ 293' w/350 sx-circ'd

7" CBL(1984) Noted in daily reports of well file. Log is not available.
 "Good bonding at 4906'-3300', 2300'-1300', 345'-Surface"; free pipe elsewhere.
 Significant milling occurred in 9-5/8" at 2390'-2450'. Ran outside 9-5/8"--could have parted at 2389'.

3-1/2", 9.2#, N-80, 8rd EUE Duoline tubing (probably 155 jts)
 Elder "R" DG at 4783'

7" 23# & 26#, K-55, ST&C & LT&C at 4906' w/1500 sx in 3stages

9-5/8", 36#, 40#, J-55, ST&C new & used @ 4999' w/2780 sx-circ'd

7" as run. Surf-779', 23#, K-55, ST&C
 779'-1343', 23#, K-55, LT&C
 1343'-1501', 26#, K-55, LT&C
 1501'-1504', DV tool
 1504'-4882', 26#, K-55, LT&C
 4882'-4885', DV tool
 4885'-4893', Lynes ECP
 4893'-4906', 23#, N-80, LT&C

Last Pulling Report 1986

Ran 3-1/2", 9.2#, Duolined tubing on Elder
 2-7/8"-by-7" 'R' Double-Grip at 4783'

9000'

Primary T-O-C @ 9200' (TS)

9228'

5-1/2", 17# & 20#, N-80, LT&C & Xlink @ 12,171' w/500 sx

TD @ 12,212'