Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
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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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-07306	
5. Indicate Type of Lease STATE ☐ FEE ☒	
6. State Oil & Gas Lease No.	

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.)

7. Lease Name or Unit Agreement Name: F M Holloway	
1. Type of Well: Oil Well ☐ Gas Well ☐ Other SWD	8. Well Number 1
2. Name of Operator: Celero Energy II, LP	9. OGRID Number 247128
3. Address of Operator: 400 W. Illinois, Ste. 1601 Midland, TX 79701	10. Pool name or Wildcat: SWD; San Andres-GL-Pad-BLI-Tubb

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

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☒	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
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.

11/1/12 - MIRU, "H" pump running, 1175# tbg, 660# csg. SD "H" pump, tbg psi 515#, csg psi 400#. Start pumping FW down tbg, after 22 bbls gone, 620# tbg, 0# csg, pumped total of 50 bbls. RIH & set 2 .31 FWP plug in profile nipple, psi test plug to 1000 psi. POH & RD PPD. Load csg with 1 bbl, psi csg to 150#, psi tbg to 990#. After 30 mins, 130# csg, 950 tbg, bleed csg psi to "0" after 30 mins, "0" psi csg, 905# tbg. Test was monitored w/ chart recorder on tbg & csg. Bleed tbg psi, ND FL & MV, ND B1 tbg hanger flange, NU Hydraulic BOP, unload & rack 170 jts tbg, release T-2 on/off. POH with 2', 8', 10' subs, stand back 145 jts 3 1/2" 9.30# L-80 8rd IPC tbg. RIH with 7" 32A pkr, 2 7/8" S.N., 1 jt 2 7/8" tbg.

11/2/12 - RIH w/145 jts + 18' subs, set pkr at 4751.24'. All test monitored on tbg & csg w/chart recorders, csg loaded, psi tbg to 1000#, monitor for 30 mins, 0# csg, 920# tbg, psi csg to 40#, 1060# tbg. Monitor for 40 mins, 40# csg, 960# tbg, bleed psi, swab tbg down in 5 runs. No recovery on 6th run, recovered 30.5 bbls, check csg, csg still full.

* 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 12/11/2012

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

For State Use Only

APPROVED BY: TITLE Dist. Mgr DATE 12-12-2012
Conditions of Approval (if any):

DEC 12 2012

F M Holloway #1 – C103 Continued

11/5/12 - RIH with swab, tag fluid at 4500', check csg, csg remained full. Psi csg to 40# & monitor w/ chart recorder. Load tbg with 26 bbls, psi tbg to 1460#, bled to 1375 in 35 min, psi tbg to 1740, psi increased to 1760 in 2 hrs then remained at 1760 for 1 more hr, csg remained at 40#. Bleed pressures, release 32-A pkr. POH with 4 jts tbg, reset pkr at 4613.59' w/ 141 jts + 10' subs, load & psi csg to 25#. RU swab, IFL surface, made 4 swab runs, swab to SN, recovered 26 bbls.

11/6/12 - RIH with swab, tag at 4400', load tbg with 25 1/2 bbls, release pkr. POH with 4 jts, set pkr at 4493' w/ 137 jts + 10' sub, load csg. RIH with swab, IFL surface, made 4 swab runs, swab to SN, recovered 25 bbls.

11/7/12 - RIH with swab, tag fluid at 4200'. POH with swab, load tbg with 24 bbls, release 32-A pkr. POH, LD WS & pkr. RIH with re-dressed 7" x 3 1/2" T-2 on/off shuck, 144 jts 3 1/2" 9.30# L-80 8rd tbg, 1) 2' tbg sub, 2) 10' tbg subs, 1) jt 3 1/2" tbg. Latch up on profile nipple, set 10 pts tbg wt, load csg & psi to 60#, monitor with chart recorder, psi tbg to 1690# & monitor for 30 min. Tbg bled to 1670#, csg 60#, bleed psi off tbg, re-pressure tbg to 1720#. After 30 min tbg 1710#, after 1 hr tbg 1700#, csg 75# after 2 hrs. Bleed pressures, release on/off shuck. POH with 3 1/2" tbg & on/off shuck. Seals were damaged, overshot was tested in shop & seals leaked, seals were tested to 3000# before RIH.

11/8/12 - RIH with 7" X 3 1/2" T-2 on/off shuck, x-over, drain sub, x-over, 145 jts 3 1/2" tbg, circ hole w/ 160 bbls 12# Mud. Latch onto profile nipple, unset AS-1X pkr. POH with 3 1/2" tbg & pkr. Found piece of metal in top of profile nipple, profile nipple had marks on it, something had been past pkr & elements. Test in hole to 3000 psi w/ exchange 7" X 3 1/2" NP AS-1X w/ Duoline bore & 2.31F stainless steel profile with 2.31 FWP plug in place 7" X 3 1/2" NP T-2 oN/off shuck with stainless steel top sub, 144 jts 3 1/2" 9.30# L-80 8rd IPC tbg, 1) 2' Pup jt, 2) 10' Pup jts, 1) jt 3 1/2" 9.30# L-80 8rd IPC tbg.

11/9/12 - 0# on well, load tbg w/ 20 bbls pkr fluid. Set AS-1X pkr at 4782.38' w/ 10 pts compression, get off profile nipple, circ 118 bbls mud to frac tank, circ hole with 229 bbls total pkr fluid. Latch onto profile nipple, NDBOP, NU B1 tbg hanger flange & master valve, psi tbg to 1720#, psi csg to 80#, monitor csg with chart recorder for 30 min. Tbg psi increased to 1740#, csg increased to 100#, bleed tbg psi to 0, psi csg to 680#, monitor for 30 min w/ chart recorder, csg psi increased to 700#. RIH & pull 2.31 FWP plug, start flowing mud to frac tank. Well died after 20 bbls, pump 90 BFW down tbg, flowed back 40 bbls then died. Hook up "H" pump, pump 100 BPW down tbg, tbg psi 1000#, csg started slow leak. Hook up chart recorder, csg psi increased to 500#, shut "H" pump down, tbg psi decreased to 440#, csg psi 320#.

11/12/12 - 440# on tbg, csg slight vac, pump 28 bbls 12# mud to kill tbg, ND Fl & MV, NUBOP & stripper head, release AS-1X pkr. POH with tbg pups & 3 jts 3 1/2 tbg, set AS-1X pkr at 4652.82' w/ 13' KB, release on/off tool, pump 25 BFW down csg 3.7 BPM at 500#, no returns out tbg. Latch up on profile, 520# on csg, monitor csg with chart recorder, start "H" pump, tbg psi came up to 1100#, csg psi increased to 680# in 3 min. Repeatedly bled csg psi, psi continued to re-pressure at a slower rate each time. SD H pump, tbg 515#, csg bled to 0. Pump 27 bbls mud to kill tbg, psi csg to 500#, release AS-1X. POH with 3 jts tbg, set AS-1X pkr at 4554.78', release on/off tool, circ 27 bbls mud to mud tank, latch up on profile nipple, 515# tbg & csg, bleed csg psi to 0, start "H" pump, tbg psi increased to 1100#, csg psi increased to 500# in 10 min, pump 27 bbls to kill tbg, release AS-1X pkr. POH w/ 3 jts tbg, set AS-1X pkr at 4456.70', release on/off tool, circ 27 bbls mud to mud tank, latch up on profile nipple, 515# tbg & csg.

11/13/12 - 515# tbg, 0# csg, psi csg to 40#. Start "H" pump, psi increased to 1100# on tbg, psi increased to 420# on csg in 15 min. SD "H" pump, pump 26 bbls to kill tbg, psi csg to 500#, release AS-1X pkr. POH with 4 jts tbg, set AS-1X pkr at 4326' w/ 132 jts in hole, release on/off tool, circ 18 bbls mud to mud tank, latch up on profile nipple, tbg psi 515#, csg psi 515#, bleed csg to 50#. Start "H" pump, psi increased to 1100# on tbg, csg psi increased to 450 in 10 min, bleed csg, open & monitor visually, same trickle as always. SD "H" pump, attempt to kill tbg, mud was to light to kill tbg, order 160 bbls 12# mud, pump 24 bbls to kill tbg. Psi csg to 500#, release AS-1X pkr. POH with 4 jts tbg, set AS-1X pkr at 4196' w/ 126 jts in, release on/off tool, circ 17 bbls mud to mud tank, latch up on profile nipple, tbg psi 515#, csg psi 515#.

11/14/12 - 515# on tbg, 0# on csg. Psi csg to 40#, start "H" pump, tbg psi increased to 1100#, csg psi increased to 540# in 10 min. SD "H" pump, pump 19 bbls to kill tbg, psi csg to 500#, release AS-1X pkr. RIH with 17 jts tbg + 22' subs, set AS-1X pkr at 4771.38' w/ 13' KB, release on/off tool, circ 17 bbls mud to mud tank, latch up on profile nipple. RIH with 2.31 FWP plug, set in profile nipple, test plug to 1000#. POH with slick line. RD PPD, psi tbg to 1740#, psi csg to 700#, csg bled to 680# in 10 min, bleed pressures, release on/off tool, ND stripper head. POH with tbg & on/off tool.

11/15/12 - 0# on well, load csg with 6 bbls. RIH with CBL/GR/CCL, correlate to Apollo 40 arm caliper log dated 10/26/12, tag top of profile nipple at 4761', log to surface. RIH with 40 arm caliper log, correlate to CBL/GR/CCL, tag profile nipple, log to surface.

11/16/12 - TIH with 3 1/2" OD J-55 9.3# 8rd EUE IPC tbg with T-2 on/off tool. Ran & latched onto pkr at 4771'. Load & test tbg-csg annulus with 660#. Tested for 35 min & lost 5# - 655#. TP = 0#. Pulled 2.3125" blanking plug out of profile nipple. SITP after pulling plug = 560#. 1. Pumped 60 BPW at 2 BPM with psi equalizing at 610#. Tbg-csg annulus flowed, on last 20 BPW pumped, 6 gallons water in 10 min. 2. Pumped 50 BPW at 3.5 BPM with psi equalizing at 680#. Tbg-csg annulus flowed 6 gal wtr in 13 min. 3. Pumped 50 BPW at 5.0 BPM with psi staying at 800#. Tbg-csg annulus flowed 5 gal wtr in 8 min. Stopped pumps. Tbg-csg annulus stopped flowing. Wells flows 1/2+ GPM out tbg-csg annulus when pumping down tbg. Tested tbg-csg annulus after running the above tests for 32 min to 680#. Lost 30# - 630#. Tbg psi stayed at 515#.

11/17/12 - Set 2.3125" OD blanking plug in pkr profile nipple to kill well. Release T-2 on-off tool from pkr. TOH, standing back, in derrick, 3 1/2" OD IPC tbg. Change out seals in on-off tool. PU 2 7/8" OD L-80 tbg WS. TIH w/ same & T-2 on-off tool. Latch onto pkr at 4771' (tbg tally) & place 14 pts of compression on pkr. By Precision, pulled 2.3125" OD blanking plug out of profile nipple. RU & ran Cardinal Surveys 7/8" OD combination tracer injector, gamma ray, collar locator & temperature tool down tbg-csg annulus as follows: 1. Ran base temperature survey FS to top of pkr at 4759' w/ 515# static tbg psi. 2. Raise tool to 2700' & ran GR/CCL from 2700' back to 2300', tying log to CBL dated 10-26-12. 3. Pulled tool to 1000' & start injecting water down tbg at a 9600 BPD rate w/ 1400#. Water started flowing out tbg-csg annulus at the rate of 1/2+ GPM (5 gal in 9 min). Shot slug of tracer material into annulus & found ejected material going up hole. 4. Lower tool to 2000' & attempted to shoot another slug of tracer material. Tool failed. TOH w/ tool. Found tracer injector to be leaking.

11/18/12 - After SDON, TP = 515#; CP = slight vacuum. Cardinal surveys changed out tracer injector on the combination tool. Ran combination, tracer injector, GR/CCL & temperature tool to 2400'. Ran GR/CCL from 2400' - 2000' & correlated with Apollo's CBL dated 11-15-12. Place tool at 1995', 2500', 3400', 4200' & 4755'. Released slug of tracer material at each setting. Found fluid was going up, indicating the pkr at 4759' (WL measurement) was leaking. Reset tool at 3000' & ran temperature survey from 3000' – 4759'. TOH w/ WL & tools..

11/19/12 - TP = 515#, CP = 0#. Pumped 19 bbls of 13 ppg mud down tbg to kill well. Install stripper head. With pkr set at 4771', re-packed off pkr with 35K, over string weight. Release from pkr & circ out mud in tbg. Latch back onto tbg, pulling 25K tension on pkr. Start water injection down tbg at 6.6 BPM w/ 1400# on tbg to check communications w/ tbg-csg annulus. Well started communicating, flowing 5 gal in 5 min out tbg-csg annulus.

11/26/12 - 515# on tbg, csg slight vacuum. Load csg with 1/2 bbl, pump 29 bbls mud to kill tbg, release on/off tool, pump 70 bbls mud down csg, latch up on profile nipple, release as1x packer. POH LD 2 7/8" tbg & pkr, no visible reasons for pkr to leak. RIH with new 7" x 2 7/8" nickel plated baker lok-set pkr w/ 2.31F stainless profile & nickel plated on/off tool, 3 1/2" x 2 7/8" nickel plated x-over, 144 jts 3 1/2" 9.30# l-80 8rd IPC tbg, 28' x-overs, 1 jt 3 1/2" tbg. Work repeatedly to set lok-set at 4780', pump 5 bbls down csg & work pkr, pull pkr up & never could set. POH with tbg & lok-set, drag block housing was backed off.

11/27/12 - RIH with 7" x 2 7/8" baker nickel plated lok-set w/ 2.31F stainless steel profile nipple with plug in place, nickel plated on/off tool, 2 7/8" x 3 1/2" nickel plated x-over, 144 jts 3 ½ 9.30# l-80 8rd IPC tbg, 2',10',10', 6', tbg pups, 1 jt 3 1/2" ipc tbg. Load tbg with 40 bbls pkr fluid, set lok-set pkr at 4780.85' (EOT @ 4780.85"), release on/off tool, circ hole with 190 bbls pkr fluid at 2 BPM, NDBOP, NU slip type WH, latch up on profile nipple & land w/ 10 pts compression, NU master valve & flowlines, psi csg to 600 psi & monitor for 30 min with chart recorder, csg psi increased 20 psi to 620 psi, test tbg to 1780 psi. RIH & pull 2.31F plug. RD PPD, start Cone #1, start "H" pump, no flow out csg, leave "H" pump running.

11/28/12 - 515 psi tbg, 515 psi csg. Pump not running, bleed csg psi, no drips coming from csg, start "H" pump, tbg psi increased to 1100 psi. After 5 min, csg started leaking 8/10 GPM, pumped total of 305 bbls, stopped "H" pump, csg immediately stopped leaking, pump 24 bbls mud to kill tbg, ND FL & MV, NUBOP & stripper head, release lok-set pkr. POH with 1 jt tbg, LD 10' tbg pup. RIH with 1 jt 3 1/2" tbg, set lok-set pkr at 4770.65, set pkr with max compression 32 pts, rotate & work tbg to left for maximum packoff, release on/off tool, pump 40 BFW down tbg, flow back 121 bbls pkr fluid & 28 bbls mud, latch up on profile nipple, set 10 pts compression, start "H" pump, tbg psi increased to 1100 psi, csg leaking 8/10 BPM, pull 20 pts tension, csg leaking 8/10 GPM.

11/29/12 - Tbg 515#, csg slight vac. Pump 34 bbls mud to kill tbg, ND stripper head, NDBOP, NU slip type WH, land tbg with 10 pts compression, NU master valve. SD.