

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

RECEIVED

OIL CONSERVATION DIVISION

APR 08 2013
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

HOBBSUCD

WELL API NO. 30-005-00824
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Rock Queen Unit
8. Well Number 114
9. OGRID Number 247128
10. Pool name or Wildcat Caprock; Queen
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 Gas Well Other Injection

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 D : 660 feet from the N line and 660 feet from the W line
 Section 23 Township 13S Range 31E NMPM County Chavez

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: Unsuccessful attempt to return to injection <input checked="" type="checkbox"/></p>
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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.

3/20/13 - MIRU. Remove WH. Found tbg sub welded to top of WH. There wasn't any tbg in well bore. NU 8 5/8" 2000# WH w/ 1/2" csg slips & 5 1/2" Larkin 2000# WH with 2 3/8" tbg slips. NU 3K BOP. Closed blind rams & SD.

3/21/13 - PU 4 3/4" bit, 5 1/2" csg scraper on 2 7/8" OD tbg WS. Ran to 55' and stopped going in hole. TOH, remove csg scraper, re-ran bit and stopped at 55' FS. Pumped 15 BPW down tbg with no help in lowering bit. Wait on impression block plus overshot and bumper sub. Ran 4 11/16" impression block to 55'. TOH. Appears 2 3/8" tbg looking up with jagged edges on fish. Lay down impression block. TIH w/ 4 11/16" overshot with 2 3/8" grapple and 3 1/2" bumper sub. Latched onto fish, pulling 25K over estimated string weight, working tools up and down. Tbg still stuck. Ran 3/4" OD rod & was able to get past the top of fish at 55'. Ran to 80'. LD rod. Decided to get off of fish. Turned overshot to release same with pipe wrenches. The tbg came loose. TOH, LD 94 jts of 2 3/8" IPC tbg with the safety collar on top of pkr attached to btm of tbg. The 1st 10 jts had heavy scale (paraffin & iron sulfide) and the 1st jt twisted into when unscrewing same.

*Cont'd 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 04/04/2013

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

For State Use Only

APPROVED BY: [Signature] TITLE Dist. Mgr DATE 4-8-2013
 Conditions of Approval (if any):

APR 09 2013

Rock Queen Unit #114 – C103 continued

3/22/13 - After SDON, ran 2 7/8" OD tbg WS w/ 3 1/2" OD bumper sub and 3" x 1 5/16 x 20" taper tap. Tag fish at 2975'. Latch onto fish & work with same, pulling 30K over string weight. Slipped off. Pushed pkr DH 5' to 2980'. PU & taper tap would pull off of fish. TOH with no recovery. TIH w/ tbg WS, 2- 3 1/2" DC's and 4 11/16" cutrite mill shoe with wires and diamonds inside of shoe. Ran and tag at 2980'. Mill over same to 2982' in 2 hrs. TOH with no recovery and worn out mill. TIH with taper tap, tag at 2982', latched onto fish. Pulled 20K over and slipped off. Lower back down and fish came up hole 1'. Attempt to catch fish with taper tap a few more times. Able to get torque but tool kept slipping off. TOH. No recovery.

3/25/13 - TIH w/ tbg WS, 3 1/2" OD bumper sub and spear with 1.992 grapple. Latched onto fish at 2985'. Work with various weights over string weight, up to 65K over string weight. Unable to free fish. Release spear and TOH. Re-ran tbg WS, 2- 3 1/2" OD DC's, 3 3/4" hydraulic jars with same spear. Latched onto fish. Jar on same for 1/2 hour, jarring up to 45K over string weight. Fish moved up hole. Lower tools and found fish 5' higher. TOH with no recovery leaving grapple in hole. TIH w/ tbg WS, 2 DC's & 4 3/4" OD x 36" on 4 1/2" stock w/ cutrite mill. Tag fish 65' high at 2920', pushed fish to 2975' and RU swivel. Milled on fish 10 minutes and fish fell to 2985'. Continue milling with no torque. Fish was turning, unable to mill over fish. TOH. Recovered 5 1/2" pkr cage, leaving slips, cones, rubber and mandrel in hole.

3/26/13 - Ran 4 1/2" OD magnet on sand line to top of fish. TOH. No recovery. Re-ran with same results. TIH w/ tbg WS, 2 - 3 1/2" OD DC's and 4 3/4" OD cutrite mill and tag at 2990'. LD, tag joint, install swivel and lower back in hole. Tag 10' higher at 2980'. Rotate for 5 minutes with high torque. Stop rotation and pushed fish w/ mill to 2990' with a few points of weight. Mill on fish for 1 1/2 hours & make 1'. Dry drilled most of the time. Had erratic torque while milling, however, part of the time it appeared fish was turning showing very little string torque. TOH with mill. Fish had gone up inside of mill 8". Mill was worn out. Had no recovery. Ran magnet, again with no recovery. Ran 4 1/2" impression block & tag fish 180' high. Did not show any marks on impression block. SD & CWI.

3/27/13 - TIH w/ tbg WS, 2 - 3 1/2" DC's and 4 3/4" OD x 5' cutrite mill shoe. Ran to 2815' & set down. RU swivel and mill on spot for 15 min w/ high torque. TOH w/ tbg & tools. Re-ran tbg with DC's and 4 7/8" OD tapered mill. Wipe out spot at 2815' in 15 min. Lower to 2985' and wipe out another tight spot. Lower mill and tag fish at 2990'. TOH and remove tapered mill. TIH with tbg, DC's and 4 3/4" cutrite mill shoe. Tag at 2815' but was able to push through. Lower to fish at 2990' and RU swivel. Milled for 1 3/4 hours making over 1'. Last 1 hour did not make any hole. TOH with tbg and BHA. No recovery. Fish had gone up inside of mill shoe 15". Mill was worn out.

3/28/13 - Ran tbg with 3" x 1 5/16" x 20" taper tap. Tag at 2990'. Work with same pulling from 2 to 4 points of weight over string weight. Keeps slipping off 5 to 6' off bottom. TOH. No recovery. TIH w/ tbg, drill collars, jars and spear with 1.992" grapple. Ran to 2990'. Able to catch fish, pulling from 5 points to 12 points weight over string weight. Keeps slipping off 5 to 6' above fish. TOH. No recovery. Ran 4 1/2" O.D. magnet and recovered piece of packer slip, measuring 2" x 1 1/2" x 1/2" thick. Re-ran. No recovery. CWI.

4/1/13 - TIH w/ 2 7/8" O.D. tbg WS, 3 3/4" O.D. BS & 4 11/16" O.D. short catch overshot w/ 2 1/2" grapple. Ran and tag at 2985'. Pushed overshot through tight spot. Lower to top of fish at 2990'. Latched onto fish, pulling 16 points over string weight through tight spot. Finish TOH, recovered pkr mandrel (30" long x 2 3/8" tapered to 2 1/2" on top of mandrel with bottom cone, parts of upper cone) plus 31.75' jt of 2 3/8" tbg. Have 3" of twisted tbg below tbg jt bottom collar, leaving part of another jt and/or tbg sub in 4 1/2" liner. TIH w/ 2 7/8" tbg WS with 3 jts of 2 3/8" tbg & 3 3/4" bit. Tag TOL at 2995', worked through TOL and ran to bit to 3025' (TD = 3054'). TOH w/ tbg and bit. CWI.

4/2/13 - Ran Multi 40 Arm Magnetic CIL from 1000' to 3010'. Ran GR/CBL from 1450' to 3000' (fluid level = 1460 FFS). TIH w/ 3 3/4" mill shoe with cutrite on bottom, mess inside, slick on sides with wires and diamonds plus 3 3/4" X 5' extension on 3 jts of 2 3/8" O.D. tbg with remaining 2 7/8" O.D. tbg string. Tag at 3025'. RU swivel. Mill and wash over 2 3/8" O.D. tbg fish to 3031 1/2'. Work mill up & down until string was torque free. TOH w/ tbg & BHA. Left the 2' cutrite shoe & 2' of extension in hole for a total of 4'. Assume shoe & extension has remained down beside fish.

4/3/13 - TIH w/ tbg WS, 2 - 3 1/2" DC's, 3 1/8" BS, 3 1/8" hydraulic jars and 3 3/4" overshot with 2 3/8" grapple. Ran to 3020'. Unable to get to TOF at 3025'. RU Crain Acidizers, pumped 250 gal of 7 1/2 % acid and flushed with 25 BFW. Went on vacuum. Pumped 25 BPW down tbg-csg annulus to help flush acid into formation. RD Crain. Attempt to lower overshot over fish. Unable to get to TOF. Stopped at 3020'. TOH w/ tbg & BHA. Ran tbg with BS and 3 7/8" O.D. impression block. Tag at 3013'. TOH with tbg and impression block. Impression shows a deep circular gash, 1/2" from outside diameter covering about 40% of the circumference. The opposite side of block was peeled off some 3/8" for about 35% of circumference. TIH w/ tbg, pull and LD 2 7/8" tbg WS with DC's. CWI. SD. To NDBOP & NUWH, leaving 2 3/8" x 6' tbg sub with collar on bottom and valve in top of sub.