

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 88204  
 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

**HOBBS OCD**

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

Form C-103  
 Revised August 1, 2011

MAY 30 2013

RECEIVED

WELL API NO. 30-005-00834
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 303735
7. Lease Name or Unit Agreement Name Rock Queen Unit
8. Well Number 22
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 Monitor

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 O : 660 feet from the S line and 1980 feet from the E line  
Section 23 Township 13S Range 31E NMPM County CHAVES

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: Return to production

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.

- Pressure test tubing-by-casing annulus.
- Kill well, if necessary, and ND well head, NU BOPE, and POOH w/tubing and packer.
- PU workstring and RIH w/ 3-7/8" bit and 6-DC's to TD at 3058'. Circulate clean & POOH.
- RIH to TD w/ 4-7/8" bit, 1-DC, gauge string mill, 2-DC's, and gauge string mill to top of 4-1/2" liner at 3022' and circulate hole with toluene and paraffin chemicals until clean. POOH.
- RIH with prod pkr w/plug in place if necessary & recover kill fluid. POOH, ND BOPE, install CO2 tbg head & NU BOPE.
- Run 2-3/8", 4.7#, J-55, 8rd EUE Seal Lube IPC production tubing and 3/8" cap strings.
- Circ hole with inhibited FW pkr fluid & test csg. Space out, land tbg & test cap strings. ND BOPE & install top flange, nipple, valve & flowtee.
- Pull plug, connect water and CO2 gas lift lines and place well on production.

Spud Date:

[Empty box for Spud Date]

Rig Release Date:

[Empty box for 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 05/03/2013

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 5-29-2013

Conditions of Approval: The Operator shall give the OCD District office 24 hours notice before work begins.

MAY 30 2013