

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. **NM-02419**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Celero Energy II, LP

3a. Address
400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)
(432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**(A) Sec 33, T13S, R31E
990' FNL & 330' FEL**

7. If Unit of CA/Agreement, Name and/or No.
NM-70935X

8. Well Name and No.
Drickey Queen Sand Unit #10

9. API Well No.
30-005-21115

10. Field and Pool or Exploratory Area
Caprock; Queen

11. County or Parish, State
Chaves NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)
6/13 - 6/25/13

TOH w/ 66- 3/4", 45- 7/8" rods & tbg pump. NUBOP, TOH w/ 91 jts 2 7/8" J55 tbg. TIH w/ 4 3/4" bit & scraper to 2796'. TOH. RIH w/ CIBP & set @ 2750'. TIH w/ tbg to 2750', rev circ tbg & csg clean. Test to 600#, ok. Spot 25 sx Class "C" cmt w/ 2% CACL, displace w/ 13 bbls. TOH & WOC. TIH & tag @ 2505'. Circ well w/ inhibited FW. TOH & LD. NDBOP & NUWH. Ran 30 min test. Lost 280# in 30 min. NDWH & NUBOP. P/U AD-1 pkr & TIH 2428' test ok, 2120' test ok. 1812' test ok, 1504' test ok, 1198' test ok, 891' test ok. P/U AD-1 PKR & TIH TO 309' TEST UP OK HAD LEAK BELOW. CONTINUED DOWN & TESTING. FOUND LEAK BETWEEN 860' & 891'. 120# LOSS IN 15 MIN. TOH & L/D PKR, TIH O/E TO 2078' & SPOT 25 SX CL "C" W/ 2% CACL DISP W/ 9 BBLs. TOH & WOC. TIH & tag @ 1823' circ mud to 1100' TOH. RIH w/ strip gun & shoot 4 SPF @ 1170' & 358'. P/U AD-1 pkr. TIH & SET @ 737', squeeze 40 sx CL "C" w/ 2% CACL, DISP w/ 9 bbls. Max psi 1200, SI psi 450#. WOC. TOH L/D pkr. P/U PS & BP. TIH & tag @ 1060', circ mud to 300'. LD tbg. Install 1 jt & pkr in hole. Set pkr. Establish circ on 5 1/2" x 8 5/8". Pump 140 sx Class "C" cmt w/ 2% CACL & circ cmt to surface on 8 5/8". LD pkr, NDBOP, fill 5 1/2" to surface w/ 10 sx for a total of 150 sx. Cut off WH's & set P&A marker. Well is now plugged.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Lisa Hunt

Title **Regulatory Analyst**

Signature *Lisa Hunt* Date **07/02/2013**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **/S/ DAVID R. GLASS** Title **PETROLEUM ENGINEER** Date **JUL 09 2013**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. **ELG 7-30-2013**

Office **Roowell Field Office**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED FOR 6 MONTH PERIOD ENDING DEC 25 2013

APPROVED AS TO PLUGS IF THIS WELL BORE LIABILITY UNDER BOND IS RETAINED UNTIL SURFACE RESTORATION IS COMPLETED

JUL 30 2013