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

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State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised August 1, 2011

WELL API NO.	30-025-00304
5. Indicate Type of Lease	STATE [X] FEE [ ]
6. State Oil & Gas Lease No.	303735
7. Lease Name or Unit Agreement Name	Rock Queen Unit
8. Well Number	68
9. OGRID Number	247128
10. Pool name or Wildcat	Caprock; Queen

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 B : 660 feet from the N line and 1980 feet from the E line
Section 30 Township 13S Range 32E 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 [X]	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.

12/13-12/20/13
NUBOP. TEST TO 1000#. UNSEAT PKR. TOH LD 2 3/8" IPC TBG. LD PKR & DUMP 60 GALS GRAVEL. TAG GRAVEL @ 3032', RUN CCL & CORRELATE TO APOLLO LOG DATED 11-4-07 LOGGERS TD 3033'. TIH & TAG @ 3032'. RAISE TBG TO 2912' & PUMP 200# SAND. GOT FULL RTNS. LOWERED TBG & TAGGED @ 3041'. LOAD HOLE GOT RTNS IN 70 BBLS, BUT THEN LOST THEM. TOH & DUMP 10 GALS GRAVEL & 400# SAND. TIH W/ TBG & TAG @ 3040'. BROKE CIRC W/ 80 BBLS, BUT WELL WOULD NOT PRESSURE UP. TOH & DUMP 15 GALS GRAVEL & 400# SAND. TIH & TAG AT 3015' HOLE LOADED W/ 5 BBLS. PRESSURED UP TO 100#, BUT WOULD NOT HOLD IT. TOH DUMP 10 GALS GRAVEL & 400# SAND. LOAD HOLE W/ 22 BBLS PW. PRESSURE UP TO 300# FOR 15 MIN, HELD OK. TIH AND TAG @ 2983'. BEGIN WASHING SAND & GRAVEL F/2983'-3058' CIRC WELL CLEAN. TIH TO 3034'. CMT W/ 50 SX CL "C" W/ 2% CACL DISP W/ 15 BBL. TOH & WOC F/ (4) HRS. P/U RR 6 1/8" BIT, BS, (6) 3 1/2" DC'S & XO. TIH & TAG @ 3054'. DRILL TO 3058'. WELL CIRC W/ FULL RTNS. PULLED 10K OVER TO GET OFF BTM. (4) JTS OFF BTM PIPE FREE. TOH. DUMP 75 GALS GRAVEL & 300# SAND PUMP DOWN W/ 40 BBLS PW. WELL PRESSURED UP TO 100# & HELD.
*CONTINUED ON ATTACHED SHEET

Spud Date: Rig Release Date:

WFX-119 R-1541-C

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 02/04/2014

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

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE FEB 10 2014

Conditions of Approval (if any):

FEB 10 2014

12/23/13 - WASH OUT TO 3034', RECOVERED 19 BUCKETS OF 23 BUCKETS SAND & GRAVEL DUMPED. RTNS FELL OFF TO 1/3 RD RTNS. WASHED DOWN TO 3159'. NOTHING BACK IN RTNS.

12/26/13 - PUMP DOWN A TOTAL OF 13 SX OF SAND. WASH DOWN TO 3034'. LET SAND SETTLE & PRESSURE UP TO 100#. CONTINUE WASHING TO 3058' RECOVERED 3.5 SX SAND. GOOD RTNS.

12/27/13 - Pump 50 sx of Class "C" cmt w/ 2% CaCl2 and spot with end of tbg at 3058'. Well circulated w/ partial returns when cmt was displaced. WOC 4 hours, lower tbg and tag cement top at 3055'. Previous PB = 3055'. Attempt to spot 100 sx of cement. Pumped 7 BFW and found tubing was plugged. TOH w/ tbg. Found 6 jts + 10' sub full of cement = about 190'. Estimated TOC was at 2800'.

12/30/13 - TIH w/ tbg, 6 - 3 1/2 DC's and 6 1/8" bit. Tag at 3043'. Broke circulation and drill cmt from 3043' to 3058'. Cement very firm the last 4' from 3043' to 3058'. Circ hole clean. TOH w/ tbg & BHA.

12/31/13 - RU to run 4 1/2" OD, 11.6#, LT&C, J-55 liner. Ran Watson Packers 4 1/2" Duplex Shoe, 2 jts of 4 1/2" casing with bond coat & 3 jts of 4 1/2" casing without bond coat (Placed centralizers as follows; 2 on 1st joint, one on each of the next 5 joints & two on the top; joint. Total 7 centralizers on 226' of 4 1/2" casing as liner). Ran tbg with Watson Packers duplex shoe tool and lowered liner to 2839'. Unable to lower to 3058'. TOH w/ tbg, leaving 4 1/2" liner in hole. Bottom of liner at 2839' with TOL at 2613'.

1/2/14 - Ran 4 1/2" spear with 4" grapple & stop to 2831'. Latched onto 4 1/2" liner and TOH w/ tbg & liner. TOL at 2831'. TIH w/ 6 1/8" bit, 1 - 3 1/2" drill collar, 6 1/4" string mill, 1 - 3 1/2" drill collar. Ran on 2 7/8" O.D. tbg WS.

1/3/14 - TIH w/ 4 1/2" O.D., 11.6#, LT&C, J-55 liner w/ seal lube as follows: 1- 4 1/2" Watson Pkr's duplex shoe, 2 jts of 4 1/2" csg w/ bond coat and 3 jts of 4 1/2" csg w/o bond coat. TOL has 4 1/2" slip by slip collar for a guide. The btm and top jts have 2 centralizers each; the middle jts have only 1 centralizer/jt. The liner was lowered on tbg and was set from 2831' to 3058' (227'). Tied onto tbg and circulate hole, washing 6' of fill, leaving btm of liner at 3058'. Pumped 10 BFW down tbg at 1 1/2 BPM & 100 psi. Pump 100 sx of Class "C" cmt w/ 2% CaCl2 at 14.8 ppg w/ 1.32 yield at 1 1/2 BPM & 100 psi. Displace cement w/ 16.5 BFW at 1 1/2 BPM with pressures going from 100 psi to 400 psi. Shut down pressure = 300 psi. WOC 4 hrs TIH w/ tbg & BPPN. Tag TOL. Load hole to test well bore. Would not hold pressure. TOH w/ tbg. TIH w/ tbg & 7" AD-1 packer. Ran and set at 2685'. Pump 300 sx of Class "C" cmt w/ 2% CaCl2 at 1.5 BPM &150 psi. Displace cement at 1 1/2 BPM with pressures going from 100 psi to 500 psi, 1 bbl below packer. Stage cement in 20 to 30 minutes, 1 bbl intervals. Pressures stayed at 500 psi after each stage was pumped. Unable to get well bore to squeeze with sufficient pressure. Over displace w/ 15 BFW.

1/6/14 - Pump 300 sx of Class "C" cmt w/ 2% CaCl2 at 2 BPM & 100# pressure. Displace cement at 1 BPM with pressure increasing from 100# to 500#. Displaced 1 bbl below pkr. WOC 30 mins. Stage cement in 3 - 1 bbl intervals waiting 30 to 15 mins between stages. 1st stage pressure went to 950#, but broke back to 400#. 2nd stage showed pressure to increase to 800# and broke back to 400#. Last stage the pressure stayed at 400#. Over displace cement w/ 15 BFW at 1 1/2 BPM & 500#.

1/7/14 - **Stage # 1:** Pump 15 BFW at 2 BPM @ 400#. Pump 200 sx of "C" cmt w/ 2% CaCl2 at 2 BPM & 100#. Displace cement 1 bbl below pkr at 1 1/2 BPM w/ final pressure of 400#. Staged in 3 intervals with pressures ranging from 400# to 1000#, breaking back to 500#. Over displace w/ 15 BFW at 1 1/2 BPM & 500#. WOC 1 1/2 hrs. **Stage # 2:** Pump 15 BFW at 1 1/2 BPM @ 600#. Pump 200 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM & 100#. Displace cmt 1 bbl below pkr at 1 1/2 BPM w/ final pressure of 550#. Staged in 3 intervals with pressures ranging from 550# to 800#, breaking back to 600#. Over displace w/ 15 BFW at 1 1/2 BPM & 700# SD pressure. WOC 2 hours. **Stage # 3:** Pump 10 BFW at 1 1/2 BPM & 700#. Pump 230 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM & 100#. Displace cement 1 bbl below packer at 1 -1 1/2 BPM @ 700#. Staged in 3 intervals with pressures ranging from 650# to 800# back to 750#. Over displace w/ 15 BFW at 1 1/2 BPM & 700#. WOC.

1/8/14 - Pump 15 BFW at 2 BPM & 500 psi. **Cement Stage # 1: pump 200 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM & 200 psi.** Displace cmt at 1 1/2 BPM, one (1) bbl below packer, at 500 psi. Staged cement in 3 -30 min to 20 min intervals over 2+ hours. Shut down pressure = 600 psi. Over displace w/ 15 BFW at 1 1/2 BPM & 700 psi. WOC 1 1/2 hrs. Pumped 10 BFW down tubing at 2 BPM & 700 psi. **Cement Stage # 2: pump 200 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM at 100 psi.** Displace cement at 1 1/2 BPM, one (1) bbl below packer at 700 psi. Staged cmt in 3 - 30 min to 15 min intervals over 2+ hr period. SD pressure = 750 psi. Over displace w/ 15 BFW at 1 1/2 BPM & 750 psi. WOC 1 1/2 hrs. Pumped 7 BFW down tubing at 2 BPM & 800 psi. **Cement stage # 3: pump 200 sx "C" cmt w/ 2% CaCl2 at 1 1/2 BPM at 400 psi.** Displace cement at 1 1/2 BPM, 1 1/2 bbls below packer at 800 psi. Stage cmt in 4-25 mins to 15 mins intervals in 2+ hrs; Final SD pressure = 850 psi. Over displace w/ 15 BFW at 1 1/2 BPM & 800 psi.

1/9/14 - WOC 18 hrs. Pumped 15 BFW down tubing at 2 BPM & 600 psi. **Cmt Stage #1: P**ump 200 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM from 400 psi to 100 psi. Displace cement at 1 BPM w/ psi going from 100 psi to 550 psi. Staged cmt in 4 - 25 min intervals pumping 1 bbl / interval @ 1 BPM & 600 psi. Over displace cmt w/ 15 BFW at 1 1/2 BPM & 700 psi. Did not get sufficient squeeze psi. WOC 1 1/2 hours. **Cmt Stage # 2:** Pump 10 BFW at 1 1/2 BPM & 750 psi; pump 200 sx "C" w/ 2 % CaCl2 at 1 1/2 BPM w/ press going from 700 psi to 100 psi; Wash up. Displace cmt at 1 BPM, 1 bbl below pkr w/ press going from 100 psi to 700 psi. Stage cmt in 3-1 bbls intervals, 30 min to 15 min between stages with psi ranging from 750 psi to 800 psi, unable to get sufficient squeeze psi. Over displace w/ 15 BFW at 1 1/2 BPM at 800 psi SD psi. WOC 1 1/2 hours. **Cmt Stage # 3:** Pumped 10 BFW at 1 1/2 BPM & 800 psi; pump 200 sx of "C" cmt w/ 2% CaCl2 at 1 1/2 BPM w/ psi from 750 psi to 150 psi. Wash up. Displace cmt one bbl below pkr at 1 BPM w/ 850 psi shut down psi. Stage cmt in 4-1 bbls intervals, 30 minutes to 10 minute between stages with psi going from 800 psi to 900 psi, unable to get sufficient squeeze psi. Over displace w/ 15 BFW at 900 psi SD psi.

1/10/14 - WOC 12 hrs. Pumped 15 BFW at 2 BPM from 900 psi to 650 psi. SD pressure = 650. **Cmt Stage # 1**: pump 300 sx of Thixotropic cmt (13.8 ppg) & displaced w/ 33 BFW, 18 bbls of over displacement. Pumped at 2 BPM with pressures going from 650 psi down to 100 psi and back up to 1000 psi on final displacement. SD pressure = 1000 psi. WOC 1 3/4 hrs. **Cmt Stage # 2**: Pumped 10 BFW at 1000 psi at 2 BPM. Pump 300 sx of Thixotropic cmt at 2 BPM with pressures going from 1000 # to 300#. SD and wash up. Displaced cmt with 20 BFW at 2 BPM w/ pressures going from 300 # to 1000#. TOC estimated to be 2775' (TOL = 2831'). SD pressure = 1000#. WOC.

1/13/14 - WOC 63 hrs, TP = 0#. Test down tbg, pumping 12 1/2 BPW at 1.6 BPM & 200 psi. Test csg to 400 psi. No pressure loss. Release pkr and TOH, swabbing csg while pulling out of hole. TIH w/ 6 1/8" O.D. bit and drill collars. Tag at 2682'. Drill cement from 2682' to 2801'.

1/14/14 - Drill cement from 2801' to TOL at 2831', recovering very firm & hard cement. Circ hole clean. Test well bore to 500# and held for 10 mins with no loss. TOH w/ tbg & bit. TIH w/ tbg & 7" AD-1 packer. Ran to 2682'. Would not go deeper. Raised to 2656'. Test tbg - casing annulus to 500#.

1/15/14 - Release packer at 2656' & TOH. TIH w/ tbg drill collars, 6 1/4" string mill and 6 1/8" bit. Ran and tag at 2682'. Drill and mill from 2682' to 2688'. TOH w/ BHA, remove string mill, reran tbg, drill collars and 6 1/4" OD bit. Tag at 2685'. Drill & clean out from 2685' to TOL at 2831'. Circ hole clean.

1/16/14 - TIH w/ Watson's 7" AD-1 packer. Ran to 2812'. Test down tbg for 15 mins & held 575# with no pressure loss. Test annulus to 500# and leaked off to 150# in 1 1/2 mins. TOH & change packer. Ran Watson's 32-A, 7" pkr and set at 2812'.

1/17/14 - Test down annulus with 500 #. No pressure loss. Pumped down tbg to test TOL. Test to 500 #; test to 700# & test to 1000#. Had losses on each one. The 1000# test lost 300 # in 5 min. Noticed each time pressured up on tubing, the casing would communicate with the tubing. Re-test casing annulus. 510# for 10 minutes w/ no loss. Release pkr. TOH. RU Hydrostatic tubing testers. Tested packer & 2 7/8" tbg to 6000#, below slips. Found unloader valve on the 7" 32=A pkr leaking and replaced 3 leaking tubing collars. Set packer at 2812'. Tested casing annulus to 500#. No pressure loss. Test down tubing to TOL. Tested at 500#; loss 25# in 5 minutes; test to 750 # & lost 40# in 5 min.; tested down tubing to 1000# & lost 100# in 5 minutes. RU to swab: Swabbed 1+ hours and recovered 16 BF. SFL = surface EFL = 2400' F.S. Recovered very little fluid on last swab run. S.I. 45 minutes. Ran swab and tag at 2400' F.S.

1/20/14 - Spot 200 gallons of 15% NE-FE acid with inhibitor on TOL. Raise packer to 2689. Reverse 3 BPW down casing. Set packer at 2689'. Test tbg-csg annulus w/ 500# for 15 minutes. No pressure loss. Tied onto tbg and pressured to 1000# and bled back to 500#.

1/21/14 - Pumped 15 BFW down tubing to TOL (2831') at 2 BPM & 200#. Pump 300 sx of Class "C" cement w/ 2% CaCl2 at 1 1/2 BPM with pressures going from 200# to 0#. Displace cement one (1) bbl below packer at 1 - 1 1/2 BPM with pressures going from 0# to 300# with shut down pressure of 200#. W0C 30 mins. Pumped 1/4 bbls at 1/4 BPM and pressures went from 200# to 400# & continued up to 1500#. Shut down a few minutes and walked pressure up in 200# increments to 2000#. Release pressure and well bore did not flow back. Release packer, reversed out 20 bbls fluid w/ very little cement recovery. Raise packer to 2628' (two joints), reset packer, test annulus to 500# & held. Pressure back up on tubing to 1500# with no leak off.

1/22/14 - WOC 18 hrs; TP = 80#; CP = 0#. Release packer and TOH w/ tbg & pkr. TIH w/ 2 7/8" tbg work string, 6 - 3 1/2" drill collars and 6 1/4" O.D. bit. Tag cmt at 2686'. Test down tubing to 500# with no pressure loss. Drill cement from 2686' to TOL at 2831'. Circ hole clean. Test casing from surface to TOL w/ 500# and held ok. TOH w/ tbg, drill collars and bit. TIH w/ tbg work string and Watson Packers 7" 32-A packer. Ran & set at 2812'. Test annulus w/ 500# with no pressure loss. Test down tbg w/ 500# with no pressure loss.

1/23/14 - Load tubing and re-test TOL w/ 500# for 10 min with no loss. TOH w/ tbg & pkr. TIH w/ 3 7/8" bit, 4- 3 1/8" drill collars, 6 joints of 2 3/8" tubing and finish running 2 7/8" tbg work string. Tag at 2831'. Drill cement from 2831' to 2838' and fell out of cement. Ran bit to 2962' and drilled cement to 2992'. Circ hole clean. Pull bit to 2955', test casing and liner to 600# for 10 minutes w/ no leaks.

1/24/14 - Drill cement from 2992' to 3025'. Fell out of cement and ran bit to top of shoe at 3057'. Circ hole clean. TOH w/ tbg & BHA. Ran GR/CCL/CBL from 2300' to 3057'. TIH w/ tbg, drill collars & 3 7/8" bit. Tag at 3057'. TOH w/ tbg, drill collars & bit. TIH w/ 3 3/4" cone buster mill, 4 - 3 1/8" O.D. drill collars and tubing. Ran to 2742' & SD.
1/27/14 - DO duplex shoe to 3059'. Lwr mill to TD of 3084'. Circ 190 BPW. Pull up to bottom of 4 1/2 liner. Had to rotate and circ from the bottom of liner to TOL at 2834'. Reverse circ 130 BPW. TOH w/ tbg, drill collars and 3 3/8" mill.

1/28/14 - TIH w/ 3 7/8" bit, 3 7/8" string mill & 4 - 3 1/8" drill collars. Ran on tbg and mill/ream the TOL & the bottom of liner at 2834' & 3060', respectively. TOH. TIH w/ 2 3/8" notched collar, 2 - check valves, 20 jts of tbg, Bulldog mechanical bailer w/ 5' stroke. Ran to TOL. Rotate and ran down inside of liner to 3060'. Unable to go deeper. TOH. Replaced N.C. with 3 7/8" O.D. bit. Ran to TOL. Ran to 3060'. Rotate and stroke bailer from 3060' to 3075'. Unable to go deeper. Raise bit to 2701' (133' above TOL).

1/29/14 - Lower BHA w/ bailer. Tag at 3075'. TOH w/ tbg & BHA. TIH w/ 3 7/8" bit, to check valves, 20 jts of tubing & 3 3/4" Bulldog mechanical bailer. Ran to 3075, stroke & rotate several times, making 3' to 3078'. TOH w/ tbg & BHA. TIH with tbg & same bailer configuration. Tag at 3078'. Made 2' to 3080' w/ rotation & stroking bailer. Rotate to 3080'. TOH, LD tbg etc.

1/30/14 - NDBOP. Remove flanged WH. Install 7" Weatherford screw bottom X 7 1/16 flange csg head. NUBOP. TIH w/ 2 3/8" x 9' fiberglass joint w/ mule shoe bottom, Globe Energy's 4 1/2" N.P. AS1-X packer w/ 1.50 "F" profile nipple, 93 jts of 2 3/8" O.D. 4.7#, 8rd, EUE, J-55 seal lube tbg and 2 - 2 3/8" X 6' IPC tbg subs. Ran to 3011'. Set packer. Ran test. Release pkr and circulate packer fluid. Reset packer w/ 5 points of tension and test again to 500#. Held for 10 mins. No pressure loss.

1/31/14 - NDBOP & install 7 1/16" Co2 compatible X 2 3/8" slip type flange. Install, 2 1/16" full opening tbg valve. Pull 5 pts of tension on pkr from 3012-18', set tbg slips. EOT = 3029'. Contacted Maxey Brown w/OCD. Ran MIT test for 32 minutes. Tested from 540# to 540#. No loss. Copy of chart is attached. Clean location and RDMO. Connect to injection.

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