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

Hobbs, NM 88240 Form 3160-5 (April 2004) FORM APPROVED OM B No 1004-0137 Expires. March 31, 2007 UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Senal No LC-068288-A SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. Rock Queen Sand Unit 1. Type of Well Öil Well Gas Well 8. Well Name and No. 2. Name of Operator Celero Energy II, LP 9. API Well No. 30-005-00863 3a Address 3b. Phone No. (unclude area code) 400 W. Illinois, Ste 1601, Midland, TX 79701 432-686-1883 10. Field and Pool, or Exploratory Area Caprock Queen 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Section 25, T13S, R31E, Unti Letter D 600' FNL & 660' FWL Chaves County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen ✓ Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Casing Repair New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice ☐ Convert to Injection __ Plug Back 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has

determined that the site is ready for final inspection.)

Re-Activate Injection Well #54

- 1. MIRU Well Serviceing Rig
- 2. TOOH w/ injection tbg
- 3. Clean out well to TD 4. Test Casing with packer
- 5. Deepen well 10'
- 6. Run Compensated neutron log
- 7. Run a bond log & casing inspection log
- 8. TIH w/ new internally coated tbg w/ pkr
- 9. Circ. pkr fuid
- 10. Run Integrity test
- 11. Place well on injection



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14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	
Haylie Urias	Title Operations Tech
Signature Haylie Ulla	Date 7-2-07
ℓ This space for federal or state office use	

/S/ ALEXIS C. SWOBODA PETROLEUM ENGINEER Conditions of approval, if any, are attached Approval of this notice does not warrant or

Office

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

Title 18 USC Section 1001 and Title 43 USC 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.

(Instructions on page 2)