

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-005-00925 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 303733
7. Lease Name or Unit Agreement Name Drickey Queen Sand Unit ✓
8. Well Number 1 ✓
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 ☐

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 **A** : **660** feet from the **North** line and **660** feet from the **East** line

Section **35** Township **13S** Range **31E** NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4408' DF

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

OTHER: Reactivate Producer ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. MIRU Well Service Rig
2. TOOH w/ existing production equipment
3. Verify casing integrity
4. Clean out well to TD
5. Drill 39' to 3090' (+/-) to fully evaluate Queen sand.
6. Run GR/CCL/CN log from TD @ 3090' to 1500'
7. Run CBL from csg shoe @ 3042' to 2700' (+/-).
8. TIH w/ production equipment
9. Return to production

RECEIVED

FEB - 5 2008

HOBBS OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Haylie Urias TITLE Operations Tech DATE 1/29/2008

Type or print name Haylie Urias E-mail address: hurias@celeroenergy.com Telephone No. 432-686-1883 Ext. 120

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE MAR 28 2008

Conditions of Approval (if any):

Conditions of Approval:

OCD requires the Operator to complete a 24 hours production test and submit on form C-104 Request for Allowable before producing this well. Accompanied by Subsequent report on C-103 with dates and what was done, along with tubing size and depth