Submit 3 Copies To Appropriate District State of New Mexico Office Energy, Minerals and Natural Resources 1625 N. French Dr., Hobbs, NM 88240 Office District II Office 1301 W. Grand Ave., Artesia, NM 88210 Office District II 12020 SERVATION DIVISION				WELL API NO. 30-005-00938	Form C-103 May 27, 2004	
1301 W. Grand Ave., Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u>	MAY 0 5 200 South S	St. Fran	ICIS Dr.	 5. Indicate Type of STATE 6. State Oil & Gas I 	FEE	
1220 S. St. Francis Dr., Santa Fe, NM 87505 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				3037357. Lease Name or URock Queen Unit	nit Agreement Name	
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other Injection			 Well Number OGRID Number 	83		
Celero Energy II, LP 3. Address of Operator 400 W. Illinois, Ste 1601, Midland	i, TX 79701			24712810. Pool name or WCaprock Queen	ildcat	
4. Well Location Unit Letter <u>B</u> : 6 Section <u>36</u>	560 feet from the <u>No</u> Township			feet from theEa	stline Chaves County	
Section Sterior Foundation Foundation						
Pit typeDepth to GroundwaterDistance from nearest fresh water wellDistance 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						
TEMPORARILY ABANDON	PLUG AND ABANDON		REMEDIAL WORK		TERING CASING	
OTHER:			OTHER:	Reactivate Injector	\boxtimes	

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.

1/15/2008 to 3/11/2008

MIRU Well Service Rig. POOH w/ injection equipment. Unable to fish injection pkr @ 2738' Attempt to mill out injection pkr from 2525' to 2800'. Unable to mill up and recover injection pkr @ 2800'. Spotted 60 sx cmt plug @ 2790' in preparation to sidetrack well. Tag cmt @ 2509'. Ran & set CIBP @ 2415'. Ran whipstock assembly, cut window, and sidetracked well. Drill new 4 ¾'' hole from 2418' to 3100'. Ran 100 jts. 4" 9.5# J-55 FJ liner from 3137' to surface & cmt w/ 30 sx thixotropic cmt conventional and 20 sx thixotropic & 50 sx Class C cmt w/ additives down 4" x 5 ½'' csg annulus. Ran CBL & found cmt scattered throughout the wellbore. Perforated 4 shots @ 3000'. Set cmt retainer @ 2900' & squeeze cmt perfs @ 3000' w/ 150 sx Class C w/ additives. DO cmt retainer & cmt to new PBTD @ 3135'. Ran CBL and new TOC @ 2985'. Perf 4 shots @ 2960'. Pumped down 4" csg 100 sx thixotropic cmt & 150 sx Class C cmt w/ additives. Ran CBL, TOC @ 2930'. Perf 4 shots @ 2695' and pumped 100 sx Class C cmt w/ additives down 4" csg. DO cmt to 3125'. Ran CBL, TOC @ 2750'. Per Queen sand interval 3067-3080' (13' net, 4 SPF, 52 shots). Ran 2 3/8" 4.7# J-55 IPC injection tbg & 4" Arrow set pkr & set pkr @ 2859'. (Verbal approval from Chris Williams on pkr setting depth). Acidize Queen interval (3067'-3080') w/ 2000 gal 7 ½% NEFE HCL acid w/ 1000# rock salt in two stages @ 3.9 BPM & 200 psi Avg STP. Return well to water injection.

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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 belowgrade tank has been/will be constructed or closed agcording to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan [].

SIGNATURE Laylip	Utras_	TITLE	Operations Tech	DATE	4/28/2008
Type or print name Haylie Urias For State Use Only	E-mail a	ldress: <u>hurias@</u>	celeroenergy.com	Telephone No. <u>43</u>	2-686-1883 Ext. 120

APPROVED BY:	and ancian	OC DISTRICT SUPERVISOR/GENERAL MANAGER	0	7 2
Conditions of Approv	al (if any):			

