

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <u>Injection</u>		5. Lease Serial No. NMLC- 070337 <u>068474</u>
2. Name of Operator <u>CELERO ENERGY II, LP</u>		6. If Indian, Allottee or Tribe Name
3a. Address <u>400 W. ILLINOIS, STE 1601; MIDLAND, TX 79701</u>	3b. Phone No. (include area code) <u>432-686-1883</u>	7. If Unit or CA/Agreement, Name and/or No. <u>DRICKEY QUEEN SAND UNIT</u> ✓
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <u>Sec. 10(F); T14S; R31E</u> <u>2980 FNL & 1920' FWL</u> <u>2000</u>		8. Well Name and No. <u>31</u> ✓
		9. API Well No. <u>30-005-01022</u> ✓
		10. Field and Pool, or Exploratory Area <u>CAPROCK QUEEN</u> ✓
		11. County or Parish, State <u>CHAVES CO., NM</u> ✓

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" type="checkbox"/> Other <u>RE-ACTIVATE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>INJECTOR</u>
	<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 recompleat 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 recompleat 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.)

MIRU well service
TOOH w/ Injection tbg
Clean out well to TD
Deepen well 20' to fully evaluate the Queen Sand interval
Run CNL, CBL & casing inspection log
TIH w/ new internally coated tbg w/ pkr
Circ. pkr fluid
Run mechanical integrity test
Return well to injection

RECEIVED

APR 28 2008

HOBBS OCD

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <u>Haylie Urias</u>		Title <u>Operations Tech</u>
Signature <u>Haylie Urias</u>		Date <u>04/10/2008</u>
ACCEPTED FOR RECORD		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by <u>/S/ DAVID R. GLASS</u> 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.		
Title 18 U.S.C. Section 201 and 1001, Section 1212, make it a crime for any person States any false, fictitious or fraudulent statements or representations as to any matter within		
PETROLEUM ENGINEER		

Accepted For Record Only! Approval
Subject To Returning Well To Continuous
Injection And Keeping Well On Continuous
Injection Or Plugging Well With An
Approved Plugging Program!