

New Mexico Oil Conservation Division, District 1
1625 N. French Drive
DEPARTMENT OF THE INTERIOR
BOBBS, NM 88240
BUREAU OF LAND MANAGEMENT

FORM 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
☐ Oil Well ☐ Gas Well ☐ Other**MAY 27 2008**2. Name of Operator
CELERO ENERGY II, LP**OCD-ARTESIA**3a. Address
400 W. Illinois, Ste 1601 Midland TX 797013b. Phone No. (include area code)
(432) 686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' NORTH 1980' EAST
UL: G, Sec: 10, T: 14S, R: 31E

5. Lease Serial No.

NMLC-068474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

DRICKEY QUEEN SAND UNIT 32

9. API Well No.

30-005-01023

10. Field and Pool, or Exploratory Area

CAPROCK QUEEN

11. County or Parish, State

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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.)

Returned this abandoned producer to production.

4/16/2008 TO 4/23/2008

MIRU Service company. POOH w/ production equipment. Pressure test 5 1/2" csg @ 2913' to 500 psi, tested okay. CO/DO well to new TD @ 2980'. Ran GR/CCL/CN/CBL logs. TOC @ 2640'. Acidize Queen interval (2940'-2980') w/ 2500 gal 7 1/2% NEFE acid & 20% toluene w/ 500# rock salt in two stages. Swab tested load back. Ran 2 7/8" 6.5# production tbg @ 2922' (rod pump). Return well to production on 4/29/2008, producing 1 BOPD & 240 BWPD.

Note: This well last produced in Jan. 1991 producing 2 BOPD & 90 BWPD.

RECEIVED**JUN 04 2008****HOBBS OCD**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Haylie Urias**Title **Operations Tech**

Signature

Date **05/13/2008****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

DAVID R. GLASS

Title

Date

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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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)

PETROLEUM ENGINEER

CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: May. 13, 2008
BY: GSA
WELL: 32
STATE: New Mexico

Location: 1980' FNL & 1980' FEL, Sec 10G, T14S, R31ECM

SPUD: 5/54 COMP: 5/54

CURRENT STATUS: Producer

Original Well Name: Government B #2

KB = 4319'

GL =

API = 30-005-01023

13-3/8" 48#/ft @ 277'
cmt'd. w/ 225 sx cmt to surface (calc)

8-5/8" 24# @ 1285'

The 8-5/8" was used as a protection string while drilling to 2935' w/ cable tools.
The 8-5/8" csg was recovered prior to running the 5-1/2" csg.

2 7/8" 6.5# J-55 production tubing @ 2922'

TOC @ 2640' (CBL)

5-1/2" 14# @ 2935'

cmt'd. w/ 100 sx (DNC)

Top of Queen @ 2940':

Queen Open Hole: 2940' - 2960' (5-54)

Queen Open Hole: 2940' - 2980' (4-08)

PBTD - 2980'
TD - 2980'

5/13/2008

DQSU #32.xls