

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
New Mexico Oil Conservation Division, District I  
1625 N. French Drive  
Hobbs, NM 88240

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

2. Name of Operator  
CELERO ENERGY II, LP

3a. Address 3b. Phone No. (include area code)  
400 W. Illinois, Ste 1601 Midland TX 79701 (432) 686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2310' S 2310' W  
UL: K, Sec: 17, T: 14S, R: 31E

5. Lease Serial No.  
NM-071054A 03210

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
WEST CAP QUEEN SAND UNIT 7

9. API Well No.  
30-005-01090

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 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 Convert TA'd
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	injector to
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	producer

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 recomplate 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 recomplate 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  
TOH w/ injection equipment  
Verify casing integrity  
Clean out well to TD & deepen approx. 20' to fully evaluate Queen sand interval  
Run GR/CCL/CN log  
TIH w/ production equipment  
Turn well to production

RECEIVED

JUL 17 2008

HOBBS OCD

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Haylie Urias

Title Operations Tech

Signature

*Haylie Urias*

Date 07/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

DAVID R. GLASS

Approved by: Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant has 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 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person to knowingly make any false, fictitious, or fraudulent statements or representations as to any matter.

PETROLEUM ENGINEER

(Instructions on page 2)

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