

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

SEP 22 2008

HOBBS, NM

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-00301

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

303735

7. Lease Name or Unit Agreement Name
Rock Queen Unit

8. Well Number

8

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 Injector ☐2. Name of Operator
CELERO ENERGY II, LP3. Address of Operator 400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location

Unit Letter H : 1980 feet from the North line and 660 feet from the East
Section 30 Township 13S Range 32E NMPM County Lea

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

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER: Re-Activate Injector

☒

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.

MIRU well service rig.
TOOH w/ injection tbg.
Plugback the Queen interval.
Cut & pull free 4 1/2" production csg (2400' +/-).
Sidetrack wellbore to TD @ 3085'.
Run & cmt 4 1/2" csg from TD to surface.
Run GR/CCL/CN log.
Perforate & acidize the Queen interval.
Run MIT.
TIH w/injection equipment.
Return well to injection.

Run MIT before use!

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Lisa Hunt

TITLE Regulatory Analyst

DATE 09/19/2008

Type or print name Lisa Hunt

E-mail address: LHunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

OC FIELD REPRESENTATIVE / STAFF MANAGER

APPROVED BY:

Tony M. Ship

TITLE

DATE

SEP 23 2008

Conditions of Approval (if any):