

Submit 3 Copies To Appropriate District Office  
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

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-005-00925 /
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CELERO ENERGY II, LP /		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name DRICKEY QUEEN SAND UNIT /
4. Well Location Unit Letter A : 660' feet from the NORTH line and 660' feet from the EAST line Section 35 Township 13S Range 31E NMPM County CHAVES		8. Well Number 1 /
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4408' KB		9. OGRID Number 247128 /
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance 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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: RETURN WELL TO PRODUCTION. ☒

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.

4/4/2008 TO 4/23/2008 (Reactive abandoned producer to production).

MIRU well service. Repair WH. Found several holes in 5 1/2" csg from 454'-1004'. Repair 5 1/2" csg @ surface and the production WH. Set RBP @ 2912' w/ 2 sx sand cap. Through 2 7/8" open ended tbg, pumped a total of 254 sx Class C cmt down 2 7/8" tbg and up the 5 1/2" annulus to surface. DO cmt to RBP @ 2912' and POOH w/ RBP. CO and DO well to new TD @ 3094', 43' deepening to fully evaluate Queen interval. Ran GR/CCL/CN/CBL logs. TOC @ 2500'. Located holes in 5 1/2" csg from 5' to 812'. Repaired 8 5/8" and 5 1/2" csg @ surface. Pumped 125 sx Class C cmt w/ additives down 5 1/2" csg. CO and DO well to 1180'. Retrieve RBP & POOH w/ RBP. Acidize Queen open hole (3044-3094') w/ 2500 gal 7 1/2% NEFE acid & 500# rock salt in two stages @ 3.5 BPM and 1050 psi avg. STP. Ran 2 7/8" 6.5# J-55 production tbg and the progressive cavity pump assembly w/ TAC set @ 3022'. EOT @ 3026'. Return well to production.

RECEIVED

MAY 21 2008

HOBBS OCD

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Haylie Urias TITLE Operations Tech DATE 05/15/2008

Type or print name Haylie Urias

E-mail address: hurias@celeroenergy.com

Telephone No. (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 03 2008

Conditions of Approval (if any):