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New Mexico Oil Conservation Division, District I

UNITED STATES 1625 N. French Drive
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
HOBBS, NM 88240

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

OCT 07 2008

HOBBS

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 South 2310 West
UL: K, Sec: 17, T: 14S, R: 31E

5. Lease Serial No.

NM 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 type="checkbox"/> Notice of Intent	<input checked="" 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 recomple 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 recomple 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.

7/30/08-8/7/08

MIRU service well rig. CO to TOF @ 2719'. Recovered 1 jt of tbg and CO well to PBTD @ 2729'. Pressure tested casing to 2663', held OK. Acidized Queen interval 2705' - 2715' w/ 500 gals xylene, 840 gals 7.5% NEFE acid and xylene mixture w/ 1000# rock salt in three stages @ 3.8 - 5 BPM and 1960 - 2169 psi STP. Swabbed load back. Ran 2 3/8" 4.7# J-55 production tubing, EOT @ 2702'. Returned well to production.

NOTE: This well last produced 4/1971.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 09/23/2008

ACCEPTED FOR RECORD FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLASS

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 1001 and 1003, and 18 U.S.C. Section 1212, make it a crime for any person to knowingly and willfully make any false, fictitious, or fraudulent representations as to any matter.

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!

CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: West Cap Queen Sand Unit
COUNTY: Chaves

DATE: Aug. 22, 2008
BY: GSA
WELL: 7
STATE: New Mexico

Location: 2310' FSL & 2310' FWL, Sec 17K, T14S, R31ECM
SPUD: 8/57 COMP: 8/57
CURRENT STATUS: Producer
Original Well Name: Phillips Cleat #1

KB = 4090'
GL =
API = 30-005-01090

POST - WORKOVER

