

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88241
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
June 19, 2008

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

WELL API NO.	30-025-05127 ✓
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> ✓
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Buckley B ✓
8. Well Number	4 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Denton, Devonian ✓

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 ☒

2. Name of Operator CELERO ENERGY II, LP ✓

3. Address of Operator 400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location

Unit Letter F : 2310 feet from the North line and 1650 feet from the West line
Section 25 Township 14S Range 37E NMPM County Lea ✓

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3819' DF

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Acdzd ☒

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.

9/22-23/08

RU Petroplex. Gel 15,000 gal 15% NeFe acid w/ Iron control. Pkr @ 12,358'. Btm of tail pipe @ 12,482'. Pump acid as follows: 5000 gal acid, 5 BPM @ 24#, acid on formation. Increase to 10 BPM @ 103#. Slow rate to 6 BPM. Switch to brine, drop 3000# block, switch to acid. Increase rate to 10- BPM @ 96#. 193 total bbls gone. Block on formation, no increase in pressure, 237 bbls gone, switch to brine. Drop 3000# block, 285 bbls gone. Pressure increase to 816#, 300 bbls pressure increased to 1890#. Switch to acid, 235 bbls gone, pressure increased to 2300#, 343 bbls gone, broke back to 1446#, 357 bbls gone. 2nd block on formation, 10 BPM @ 1466#, 382 bbls gone, 10 BPM @ 1072#. Switch to flush. Increase rate to 13.6 BPM @ 4733#, 489 bbls gone, 10.7 BPM @ 4856#, 520 bbls gone, 9 BPM @ 4709#, 539 bbls gone. SD pump. ISIP Vac. RD Petroplex. Unset HD pkr. POH w/ 115 jts. 2 7/8" PH-6 tbg (3601.51'), x-over, LD 21 jts. 2 7/8" tbg, stand back 250 jts. 2 7/8" 6.5# L-80 8rd tbg (8077.50'), x-over, 2 3/8" SN, HD pkr, LD 4 jts. tail pipe. SDFN. Max Press: 4850#; Avg Press. 1456#; Max Rate: 13.6; AIR 10; 539 BLTR. RIH w/production equipment. NU Master valve & flowline. Start pump @ 4:55pm, pumped up in 55 min. RDMO. Leave well pumping to battery.

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 10/06/2008

Type or print name Lisa Hunt E-mail address: LHunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 10 2008
Conditions of Approval (if any):