

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  
90 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

|   |
|---|
| WELL API NO.<br>30-005-00871  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>303735  |
| 7. Lease Name or Unit Agreement Name<br>Rock Queen Unit   |
| 8. Well Number 42   |
| 9. OGRID Number<br>247128   |
| 10. Pool name or Wildcat<br>Caprock Queen   |

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|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other  |  |
| 2. Name of Operator<br>Celero Energy II, LP  |  |
| 3. Address of Operator<br>400 W. Illinois, Ste 1601, Midland, TX 79701   |  |
| 4. Well Location<br>Unit Letter <u>H</u> : 1980 feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line<br>Section <u>26</u> Township <u>13S</u> Range <u>31E</u> NMPM County    |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>   |  |
| Pit type <u>  </u> Depth to Groundwater <u>  </u> Distance from nearest fresh water well <u>  </u> Distance from nearest surface water <u>  </u>   |  |
| Pit Liner Thickness: <u>  </u> mll Below-Grade Tank: Volume <u>  </u> bbls; Construction Material <u>  </u>  |  |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

|  |   |  |  |
|--|---|--|--|
| NOTICE OF INTENTION TO:                        |   | SUBSEQUENT REPORT OF:                                  |  |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>                 | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>       | P AND A <input type="checkbox"/>         |
| ILL OR ALTER CASING <input type="checkbox"/>   | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>             |  |
| OTHER: <input type="checkbox"/>                |   | OTHER: Re-activate <input checked="" type="checkbox"/> |  |

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.

8-27-07 thru 9/11/2007

MIRU Well service. NU BOP. POOH w/ tbg. RIH w/ 3 3/4" bit, bit sub 3 1/8" DC's & tbg. Tag @ 3031'. Clean out to 3077'. Drilled from 3077' to 3090'. Circ. hole clean. POOH; RIH w/ 4 1/2" tapper mill, 3 1/8" DC's & tbg. Tag top of liner @ 3022'. POOH.

RIH w/ 4" 9.5# UFJ csg as follows: 2 1/2" x 4 1/2" taper guide (2.10'); 1 t. 4" 9.5# J-55 UFL csg (44.10'); 4" Float collar (1.60'); 68 jts. 4" 9.5# J-55 UFJ csg (3013.20'); Landed csg in 4 1/2" liner @ 3022'.

Cmt csg as follows: Lead w/ 50 sx 50/50 POZ mix w/ .2% FL52A & .2% SMS. Tail w/ 60 sx Class C w/ 2% CACL. Had good circ thru cmt job. Did not circ cmt. Set slips on 4" csg w/ 35000# tension. Drilled cmt & float collar to 3022'.

RIH w/ logging tools. Ran GR/CBL/CCL from 3022' to 2700'. Found top of cmt @ 2828'. RIH w/ 2 1/2" slick gun on wireline, perf 4 holes @ 2800'. POOH w/ csg gun. RU & squeeze perfs @ 2800' as follows: Lead w/ 50/50 POZ mix w/ .2% FL52A and .2% SMS. Tail w/ 60 sx Class C w/ 2% CACL. Did not circ thru 5 1/2" csg. SITP 1060 psi. POOH w/ tbg & pkr. RIH w/ bit, bit sub & tbg. Tag cmt @ 2722'. Drilled cmt to 2820'. Circ. hole clean. RIH to 3022'. Drilled 4 hrs. RIH to 3088'.

RIH w/ logging tools. Ran CBL/CCL/GR log s from 3025' to 2600'. TOC @ 2790'. (Squeezed holes @ 2800'). RIH w/ 4" nickel plated AS-1 pkr w/ 1.5 F nipple, on/off tool, 91 jts. 2 3/8" J-55 IPC tbg set @ 2967'. Set pkr @ 2967'. ND BOP. Flange up WH. Tested csg to 580 psi. Held ok. Put well on injection.

Order # R-1541

WFX-81

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

NATURE Haylie Urias TITLE Operations Tech DATE 10/19/07  
Type or print name Haylie Urias E-mail address: hurias@celeroenergy.com Telephone No. 432-686-1883 Ext. 120

For State Use Only

APPROVED BY: Tony M. Lipp

OC FIELD REPRESENTATIVE II/STAFF MANAGER

TITLE

DATE

Conditions of Approval (if any):

OCT 30 2008