

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 ☒ Other2. Name of Operator
CELERO ENERGY II, LP3a. 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)

660 North 1980 East
UL: B, Sec: 10, T: 14S, R: 31E

5. Lease Serial No.

LC-068474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Drickey Queen Sand Unit #27

9. API Well No.

30-005-01026

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 type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input checked="" 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 checked="" type="checkbox"/> Other Reactivate |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | injector |
| | <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 recomplete 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 recompletion 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.)

10/6-10/30/08

MIRU. POOH w/injection tbg & pkr. CO to 3072'. Run CBL from 3042 to 2000'. Had good cmt up to 2500'. Hot Oil to pump 500 gals toluene, 2000 gals of 7.5% NEFE acid & 500# rock salt. Pumped 1250 gals, drop 500# rock salt & pump 1250 gals acid toluene mix & 20 bbls of wtr. TP 1650#, Avg=TP 1501#, 4.5 bpm, ISIP=677, 3 mins=on vacuum, TLTR=100 bbls. Had 220# increase from salt. Well was on vacuum. Tagged fluid @ 1800' from surface. Swabbed down to 2500' from surface. Made 24 swab runs & recovered 100 bbls fluid 2% oil cut & little gas. 6 hrs swabbing. TIH w/safety collar 2 3/8" & PU 2 7/8" workstring. Tagged pkr @ 3020'. Screwed onto pkr. Unset, pulled, & LD workstring & pkr. TIH w/nickel plated 5 1/2" x 2 3/8" w/on off tool & arrowset. PU 96 jts IPC, 2 3/8" J-55, 4.7#, 8rd EUE tbg. Set pkr. Pressured it up. Held. ND BOP. Got off on off tool. HU WH. Circulated pkr fluid 70 bbls. Got back on pkr. Pressured up to 350 psi & ran chart for 30 mins. Set pkr @ 3019' w/96 jts 2 3/8" IPC tbg. EOC 5 1/2" @ 3042'. SI while waiting on battery to be built.

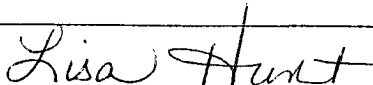
Original chart sent to OCD Hobbs
Order No. R-1128 (2/12/58)

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

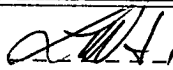
Signature



Date 11/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by



Title

Date

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.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

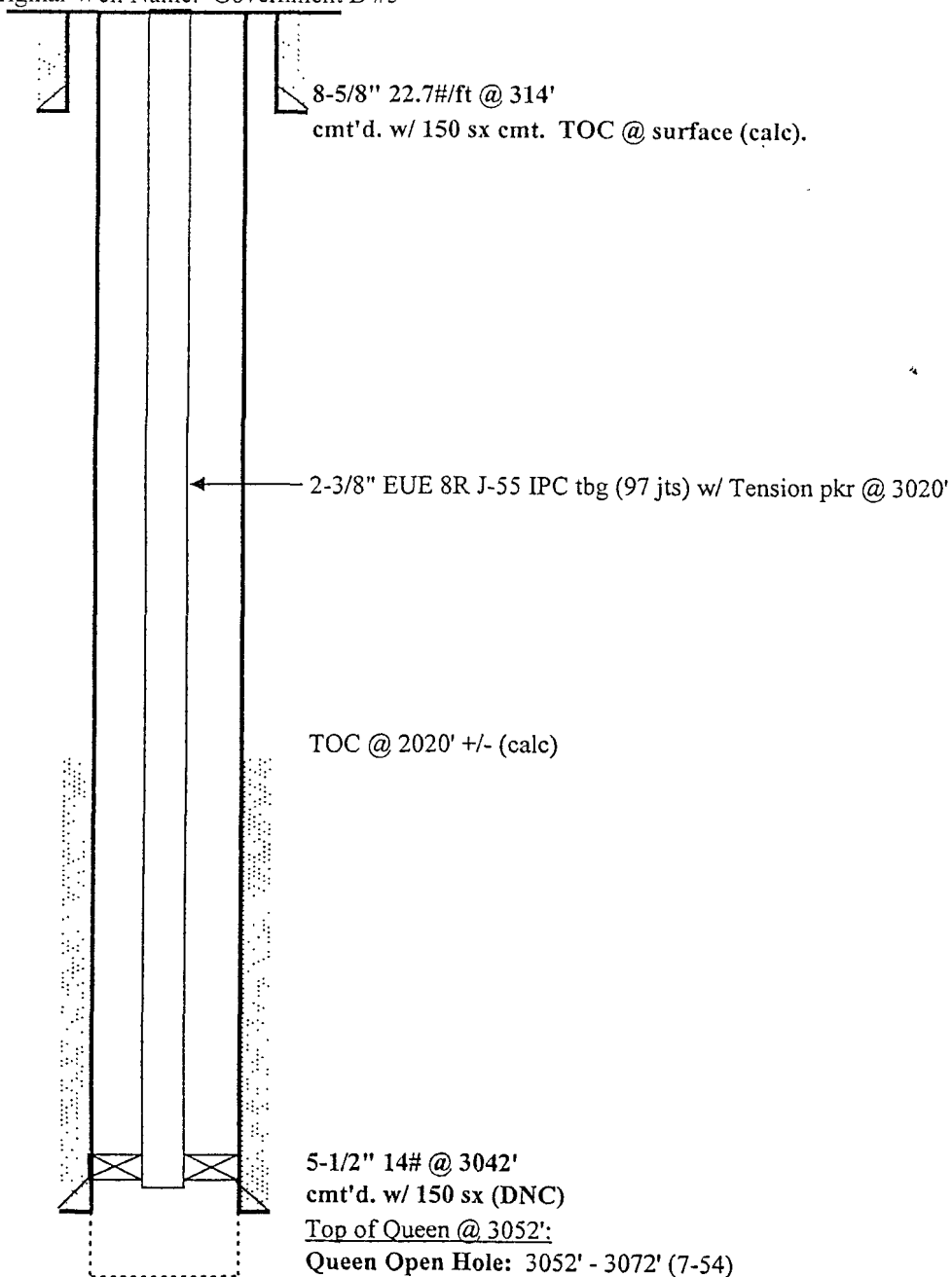
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Mar. 28, 2008
BY: GSA
WELL: 27
STATE: New Mexico

Location: 660' FNL & 1980' FEL, Sec 10B, T14S, R31ECM
SPUD: 7/54 COMP: 7/54
CURRENT STATUS: Injector
Original Well Name: Government B #5

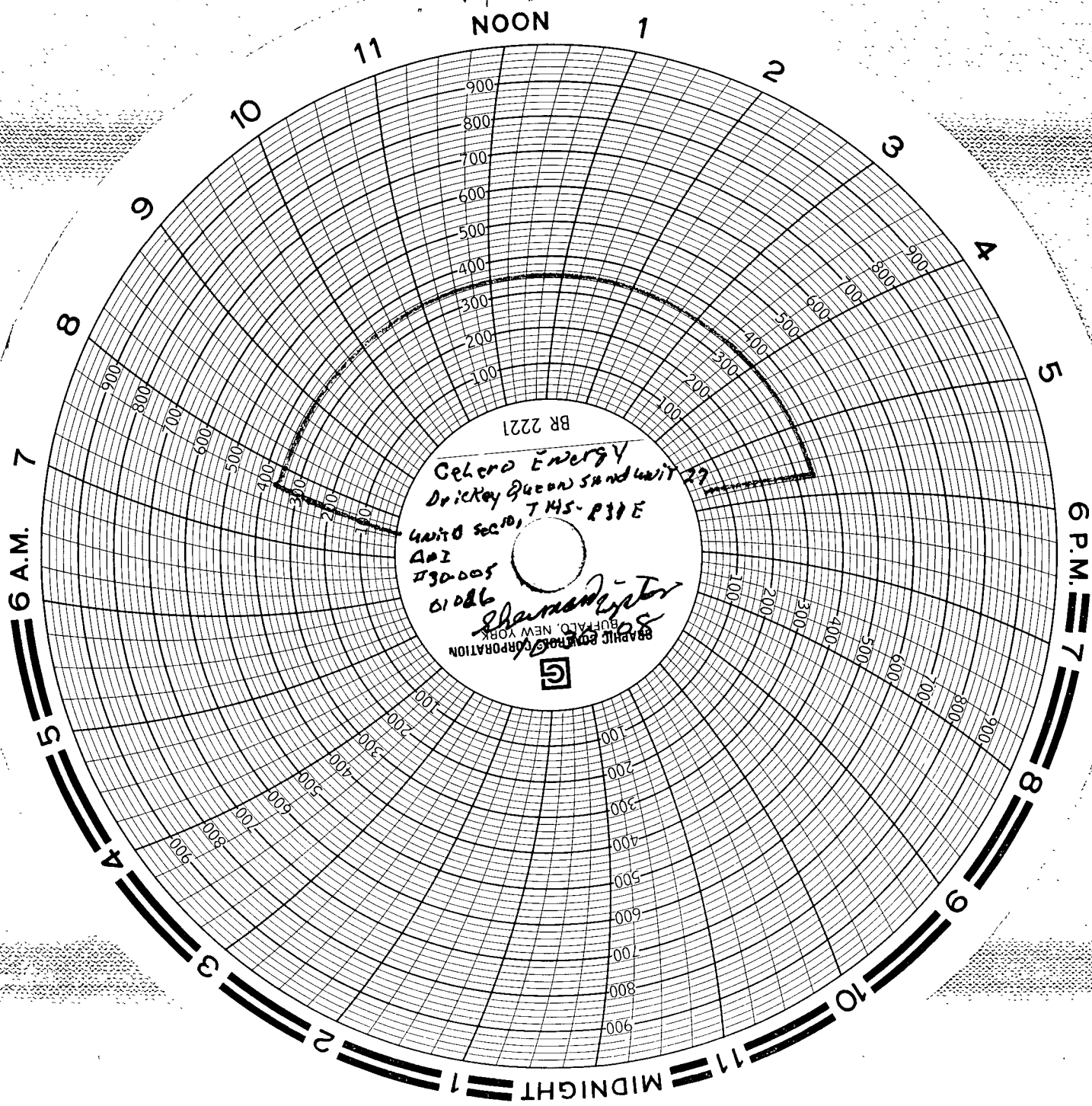
KB = 4428'
GL =
API = 30-005-01026



PBTD - 3072'
TD - 3072'

11/5/2008

DQSU #27



BR 2221

Celero Energy
Drickey Queen Sand Unit 22

Unit 2 sec 10, T 145. R 31 E

402

1130-005

01026

Shamrock

GRAPHIC CORPORATION
BUFFALO, NEW YORK



C&I N HOT O.
Beni Monge 30 min test
Oct-30-08

