

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOV 21 2008

FORM 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 ☒ Other inj.2. 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 South 1980 West
UL: N, Sec: 3, 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 #24

9. API Well No.

30-005-00968

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 checked="" 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 <u>Reactivate</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>injector</u>
	<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 recomplate 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 recomplate 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.)

9/29-11/13/08 Reactivate abandoned injection well.

MIRU. Replaced WH. Fished 2 3/8" IPC inj tbg & pkr out of WB. CO well to 2705'. Repaired 8 5/8" casing at the surface. DO/milled out 5 1/2" csg from 2661' - 3045'. Ran csg inspection log, bad casing. Milled out 5 1/2" csg in preparation to run 4" liner. Poured a total of 39 sx of sand and 80 gal of sand down WB to PB Queen open hole. Tagged top of sand @ 3011'. Pumped six pills of LCM material to achieve circulation, unsuccessful. Isolated 5 1/2" csg leak from 2152' - 2310'. Washed top of sand down to 3033'. Ran 53 jts of 4" 9.5# ultra flush jt csg from 3,005' to surface. Cmt'd 4" liner w/ 350 sx Class C cmt w/additives. DO cmt to 3005'. Ran CBL, TOC @ 2750'. Pumped 350 sx Class C neat cmt down 4"x5 1/2" csg annulus. Ran CBL, had little cmt. Pumped 350 sx Class C cmt w/ additives down 4" x 5 1/2" csg annulus. Ran CBL, TOC @ 2450'. DO 5 1/2" csg shoe & CO well to 3064'. DO well to new TD @ 3090'. Ran GR/CCL/CN log but could not get down below 2965'. Ran 2 3/8" workstring & AD-1 pkr. Set pkr @ 2929'. Acc'd Queen open hole (3044' - 3090') w/ 2,000 gal 7.5% NEFE acid, 500 gal toluene mix, and 500# rock salt @ 5.5 BPM & 320 psi avg STP. Swabbed load back. POOH w/ 2 3/8" workstring & pkr. Ran 2 3/8" 4.7# J-55 IPC inj tbg & Arrowset pkr. Set pkr @ 2976'. Pressured up 315 psi & ran good chart for 30 mins. 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

Lisa Hunt

Date 11/20/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

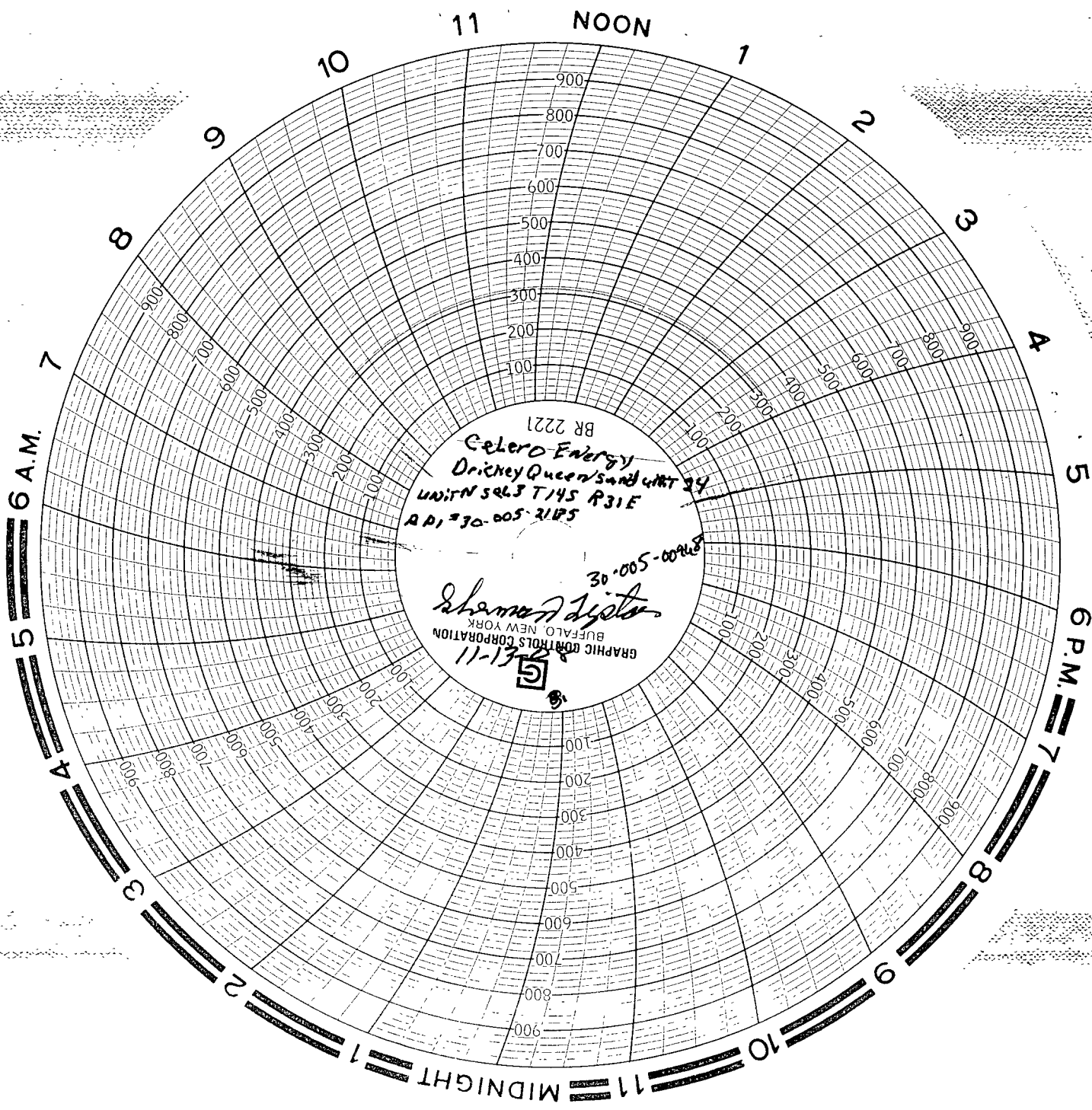
Date

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)



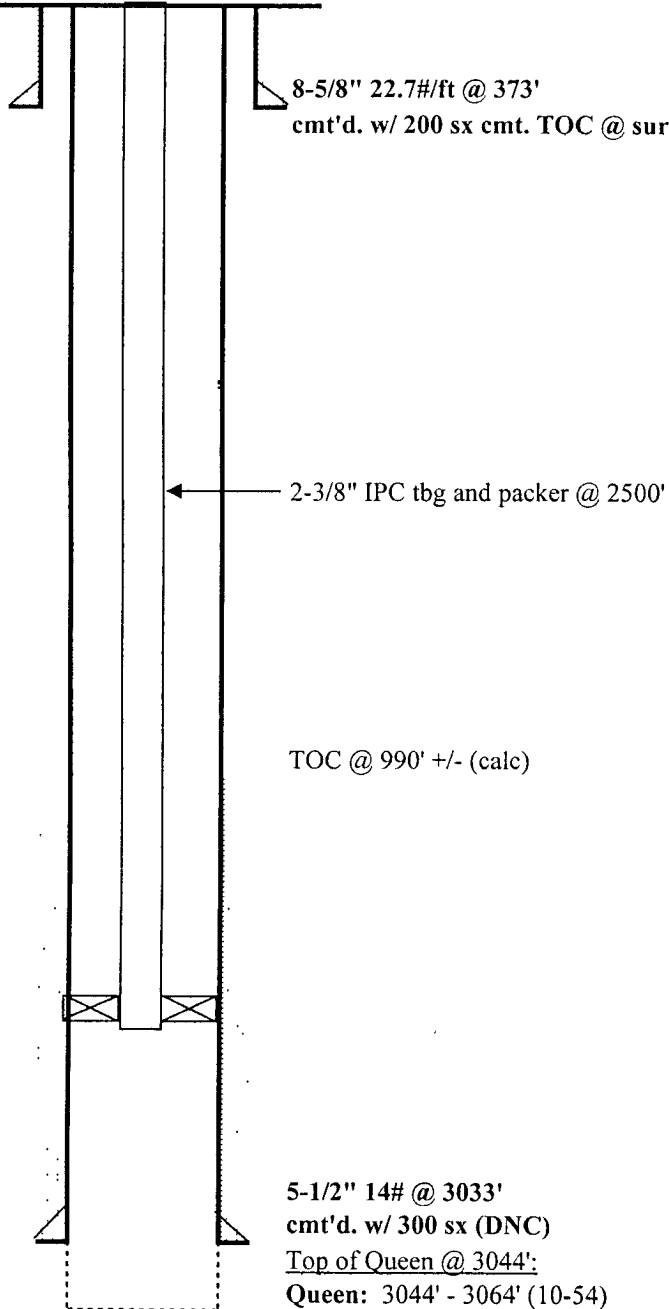
CELERO ENERGY

FIELD:	Caprock	DATE:	Mar. 18, 2008
LEASE/UNIT:	Drickey Queen Sand Unit	BY:	GSA
COUNTY:	Chaves	WELL:	24
		STATE:	New Mexico

Location: 660' FSL & 1980' FWL, Sec 3N, T14S, R31ECM
SPUD: 10/54 COMP: 10/54
CURRENT STATUS: Injector
Original Well Name: Government B #14

KB = 4436'
GL =
API = 30-005-00968

PRE WORKOVER



PBTD - 3064'
TD - 3064'

5/20/2008

DQSU #24.xls

CELERO ENERGY

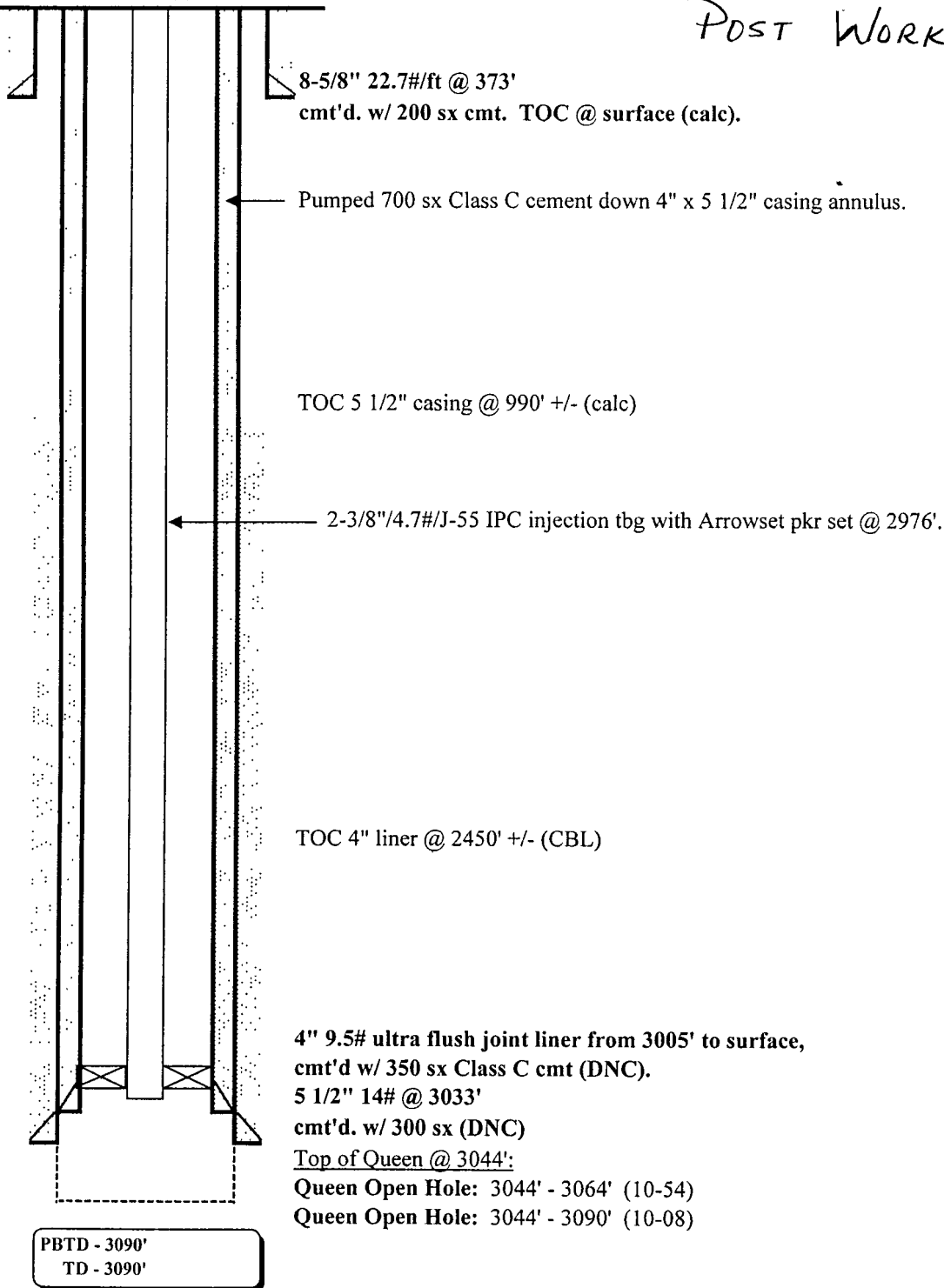
FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Nov. 19, 2008
BY: JEA
WELL: 24
STATE: New Mexico

Location: 660' FSL & 1980' FWL, Sec 3N, T14S, R31ECM
SPUD: 10/54 COMP: 10/54
CURRENT STATUS: Injector
Original Well Name: Government B #14

KB = 4,436'
GL =
API = 30-005-00968

POST WORKOVER



11/20/2008

DQSU #24R