

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**RECEIVED**DEC 22 2008
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.

HOBBSOCD

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
400 W. Illinois, Ste. 1601 Midland TX 797013b. Phone No. (include area code)
(432)686-18834. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980 South 1980 East
UL: J, 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 #21 ✓

9. API Well No.

30-005-00965 ✓

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 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 checked="" 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 recompleat 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 recompleat 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.)

10/31/08-12/17/08

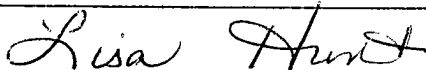
Repaired/replaced wellhead as needed. CO/ milled out 5 1/2" csg & open hole to new TD @ 3072'. Logged well w/ GR/CCL/CN log from 3072'-1200'. Spotted sand plug across open hole w/ top of sand @ 3025'. Tried five times to run 4" 9.5# J-55 ultra flush joint liner and one time with 10 joints of 3 1/2" 9.3# L-80 ultra flush joint liner to a liner setting depth of 3025', but was unable to get past 2826' +/- . The 5 1/2" casing was milled out to 3025' between each attempt to run the liner. The decision was then made to P&A the well. Called OCD - Maxey Brown and rec'd verbal approval. RU Superior to cmt. Pumped 14.3 bbls of Class Cw/2% CACL 2# sand per sx TP 20#, 2 bpm, density 14.8, 9 bbls FW TP 25#, 2 bpm, RD Superior. Pulled back up to 2000'. Waited 3 hrs & went down & tagged cmt @ 2835'. Pulled 10 stands. It had 200 psi on TP bleed off. RIH tagged cmt @ 2836'. Pulled up to 2311'. RU Diamondback to pump cmt. Pumped 14.3 bbls of Class C w/2% CACL 7 bbls FW, 3 bpm TP 124, density 14.8. Waited 2 1/2 hrs. Tagged cmt @ 2559'. TOH w/tbg. RU Apollo. RIH to 1530' & shot 4 holes. Pulled out. RIH w/gun & shot holes @ 370'. RD Apollo. RIH open ended to 2311'. RU Diamondback pumped 60 sx of class C cmt. Pumped 14.3 bbls 3 bpm TP 124, 7 bbls FW. Pulled 15 stands. RIH & tagged @ 2385'. Pulled up to 2311' & RU Superior to pump cmt. Pumped 60 sx Class C w/2% CACL & 5 bbls FW. Pulled 15 stands. Waited 2 1/2 hrs; tagged @ 2170'. TOH w/tbg. RIH w/5 1/2" CBP & set it @ 2125'. circulated 75 bbls brine gel water. Spotted 25 sx cmt plug on CBP. *Cont'd on back of form.

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

Lisa Hunt

Title Regulatory Analyst

Signature



Date 12/19/2008

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)

Drickey Queen Sand Unit #21 con'td

Pulled up to 1530'. Spotted 60 sx of Class C cmt & 4 bbls FW. TOH w/tbg. RIH & tagged @ 1610'. Pulled up to 1530'. Spotted 50 sx of class C w/2% 4 bbls FW. Pulled up; waited 2 ½ hrs. RIH. Tagged @ 1238'. Pulled up to 401'. Circ 60 sx. Pulled out. Top off w/5 sx. RD Superior. Broke off braden head. Cleaned location & installed surface marker. Well is now P&A.

Copy sent to OCD Hobbs office for like approval.

CELERO ENERGY

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

DATE: Dec. 19, 2008
BY: JEA
WELL: 21
STATE: New Mexico

Location: 1980' FSL & 1980' FEL, Sec 3J, T14S, R31ECM

SPUD: 8/54 COMP: 8/54

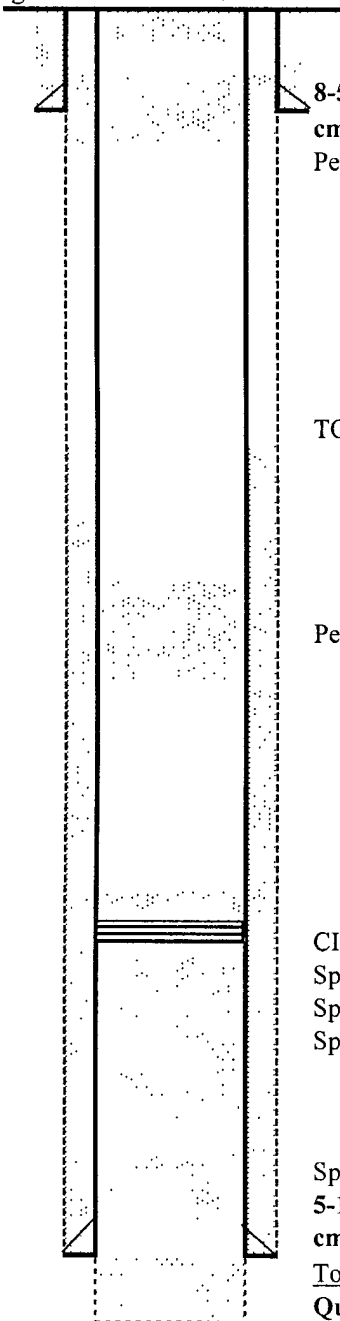
CURRENT STATUS: P&A'd Injector (12-08)

Original Well Name: Government B #10

KB = 4425'

GL = 4416'

API = 30-005-00965



Spotted 5 sx cmt surface plug.

8-5/8" 22.7#/ft @ 330'

cmt'd. w/ 175 sx cmt. TOC @ surface (calc).

Perforated holes @ 370' and circulated 60 sx cement.

TOC @ 990' +/- (calc)

Perforated holes @ 1530' and pumped 110 sx cement (TOC @ 1238').

CIBP @ 2125' w/ 25 sx cmt cap on top.

Spotted 60 sx cement plug @ 2311'. Tagged TOC @ 2559'.

Spotted 2nd 60 sx cement plug @ 2311'. Tagged TOC @ 2385'.

Spotted 3rd 60 sx cement plug @ 2311'. Tagged TOC @ 2170'.

Spotted 60 sx cement plug @ 3005'. Tagged TOC @ 2835'.

5-1/2" 14# @ 3030'

cmt'd. w/ ? sx (DNC)

Top of Queen @ 3045':

Queen: 3045' - 3063' (8-54)

Sand plug from 3025' to 3072'

PBTD - 3072'
TD - 3072'

12/19/2008

DQSU #21