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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

DEC 19 2008

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

HOBBSOCD

WELL API NO.	30-005-00858 ✓
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Rock Queen Unit ✓
8. Well Number	58 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Caprock Queen ✓

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injector <input type="checkbox"/>	
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 H : 1980 feet from the North line and 660 feet from the East line	
Section 25 Township 13S Range 31E NMPM County Chaves ✓	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4392' GR

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 ☐

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103. (Subsequent Report of Well Plugging)
which may be found at OGD Web Page under
Forms, www.emrds.state.nm.us/ogd.

OTHER: ☐ OTHER: ☐

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.

11/20/08 - MIRU. NU BOP. TIH w/ 3 3/4" bit & PU 6 - 3 1/8" DC & tally. PU 2 3/8" tbg; tagged @ 2950'.

11/21/08 - TIH w/open ended 2 3/8" tbg 6 jts; it stopped 252'. Run 3 3/4" bit & PU 3 DC's; tagged 95'. Drld down 258'. Pulled out & it drug. Run 3 3/4" taper mill, 3 DC's; tagged @ 95', milled down to 148'.

11/24/08 - : Started milling @ 148'; milled down to 178'. TOO H w/ DC's & mill. ND BOP & Braden head. Tried to pull slips on 4 1/2" & they were stuck. Apollo shot WH & slips came free. Pulled a piece of 4 1/2" & 2 1/2" jts. of 4 1/2" csg that was parted. TIH w/ mule shoe jt. & tbg. Tag @ 93'; milled down to 210'. TOH w/ tbg, DC's & mill. TIH w/ Mule shoe jt & 2 3/8" tbg, tag @ 178', turn it & it went to 670' but went outside 4 1/2" csg. TOH w/ tbg. Run 7 7/8" impression block, no impression.

11/25/08 - TIH w/ 6" guide shoe & 3 jts. of 6" wash pipe, tag @ 93', turn it to get over 4 1/2" csg & got down to 118' and stopped. TOH w/ 6" wash pipe & guide shoe. TIH w/ cutrite shoe & 6" wash pipe & tag @ 118', milled to 146' & stopped. TOH w/ 6" wash pipe & shoe and recovered 1 - 6' piece & 1 - 4' piece of csg.

12/1/08 - Broke off swivel & RU Apollo Wireline to run expo's camera. Run camera down to 120', top of 4 1/2". Pulled out. Pulled 2 jts of 6" washpipe. Run camera again down to 91'. Looks like fish came up hole. Pulled out camera. Pulled 6" washpipe out. Run camera down to top of fish @ 88' & it was 7' long. Pulled out. TIH w/shear w/4.010 grapple down to 120'. Pulled out didn't hit anything.

*Continued on back of page.

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 12/16/2008

Type or print name Lisa Hunt

E-mail address: LHunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

OC DISTRICT SUPERVISOR/GENERAL MANAGER

APPROVED BY: Larry M. Hill

TITLE

DATE

DEC 22 2008

Conditions of Approval (if any):

Rock Queen Unit #58 – Continued

12/2/08 - TIH w/spear w/6" grapple on it; went down to 120' & came back out. Didn't have anything. TIH w/camera & piece of 4 1/2" was still @ 82'; came out. TIH w/7 5/8" shoe, one jt of 7 5/8" WP, XO to 6" washpipe; tagged top of 4 1/2" csg @ 124'. Run camera in & look @ top of 4 1/2'; came out w/camera. Milled down to 144'. TOH w/6" & 7 5/8" & shoe, had piece of 4 1/2" 18' long. Run camera down 126' to top of 4 1/2". The 8 5/8" csg looks good. POOH w/camera.

12/3/08 - TIH w/6" shoe & 6" washpipe; tagged 4 1/2" csg @ 126'. Turn it, got over 4 1/2" csg & went down to 149'. Run inside 6" w/4 1/2" spear & tbg; tagged @ 126'. Work it, got in 4 1/2", got hold of 4 1/2" & pulled 10 pts. Set down, pick up came loose. TOH w/tbg & spear & had 23.4' piece of 4 1/2". Tried to run 6" on down. Tagged @ 149'. RU swivel & milled to 153', fell out, run on down to 232' & stopped. PU 2' - TIH w/tapered mill & 4 - 3 1/8" DC & one jt of 2 3/8" tbg; tagged @ 149'.

12/4/08 - Started milling. After 5 mins, fell in & went down to 176'. Mill 45 mins, didn't make any hole. TOH w/tbg & mill had 68.4' of 4 1/2" csg. LD. Tried to run 6" on down; would go. TIH w/spear & tbg down to 176'; didn't feel anything. TOH w/tbg & spear had 31.22' jt of 4 1/2" csg. LD. Pulled 6" washpipe out; took off shoe. Got welder to cut off cutrite & put a cutlip on shoe. TIH w/shoe & 6" washpipe; tagged @ 235'. Turn it, got over 4 1/2" & run down to 266'.

12/5/08 - Run 1 more jt of 6" wash pipe, x-over & 1 jt of 4 1/2" csg. Landed @ 322'. TIH w/2 3/8" tbg to 238'; it stopped, turned it, wouldn't go & pulled out. TIH w/3 3/4" tapered mill, 1 - 3 1/8" DC & tbg to 238'. Dressed off 4 1/2" csg, went down to 497'; pulled out. TIH w/4 1/2" AD-1 pkr & tbg to 238'; it stopped, worked it, turned it, wouldn't go, came out. We had backed off safety collar. Pulled & LD 1 jt 4 1/2" csg. TIH w/new safety collar & tbg got on pkr. Pulled tbg & pkr. Run jt of 4 1/2" csg pack off, installed WH & BOP. TIH w/open ended 2 3/8" tbg down to 2950'. RU Superior & spotted cmt plug. Pumped 12 bbls of class C w/2% CACL & 9 bbls FW. Pulled 17 stands of 2 3/8" tbg.

12/8/08 - Run in tagged cmt @ 2913'. Called OCD & they said that was good. TOH w/tbg. RU Apollo & went in to 2300' & perf'd. Well started flowing. RD Apollo. Well flowed 290 bbls of wtr back & then died. TIH w/tbg to 2200'. Spotted 65 sx cmt plug w/2% CACLI & 4 bbls FW. Pulled up to 1200'. Closed csg & braden head. Pumped 15 bbls of water. No pressure @ 3 bbls bpm.

12/9/08 - TR 100 & csg 100. Bled off. Run tbg 2' @ 1203'; tagged cmt. TOH w/tbg. Closed BOP. Left well flowing to pit 8 hrs. Flowed 109 bbls wtr. Flowed 10 bbls per hour.

12/10/08 - Well flowed over night, 50' bbls water & quit. TIH w/3 3/4" tapered mill & 4 - 3 1/8" DC & tbg; tagged @ 230'. Dressed off top of 4 1/2" csg. TOH w/tbg, DC & mill. TIH w/3 3/4" bit, 4 - 3 1/8" DC & tbg; tagged top of 4 1/2" @ 230'. Turned it & didn't go. TOH w/tbg, DC & bit. TIH w/3 3/4" tapered mill, 4 - 3 1/8" DC & tbg. Dress off top of 4 1/2" csg. TOH w/tbg, DC & mill. TIH w/3 3/4" bit, 4 - 3 1/8" DC & tbg; tagged top of 4 1/2" csg @ 230'. Turned it & went in. Run tbg down to 1203'. Tagged cmt. Drld 6" fell out; went to 2300'. Didn't hit anything. TOH w/tbg. LD DC & bit. TIH w/4' of 2 3/8" sub, 3 3/4" AD-1 pkr & tbg down to 2009'. Set pkr. RU Superior to pump cmt. Pump 5 bbls wtr to see if we could pump into form. Pumped tbg 28.6 bbls class C cmt w/2% CACL 2# of sand per sx of cmt. 1.5 bpm TP 0 & 10.2 bbls FW. Last 5 bbls had 60# psi. ISIP 60#.

12/11/08 - Went down tagged cmt @ 2190'. TOH w/tbg & pkr. RU Apollo to perf. RIH stopped @ 730'. Worked it & wouldn't go. Pulled perf gun out of hole. TIH w/3 3/4" tapered mill, 1 - 3 1/8" DC & tbg down to 730'. Milled up & down from 730' to 750'; came out. RIH w/perf gun stopped @ 743'. TOH w/perf gun. TIH w/3 3/4" tapered mill, 3 3/4" string mill, 1 - 3 1/8" DC & tbg to 743'. Worked up & down from 735' to 750'; 5 times; cleaned it up. TOH w/tbg, DC & mills. RIH w/perf gun; stopped @ 743'. TOH w/perf gun. Called to get smaller guns. TIH w/3 3/4" tapered mill, 3 3/4" string mill, 1 - 3 1/8" DC & tbg to 735'. Milled up & down from 735' to 750'; 5 times; cleaned up. TOH w/tbg, DC & mills. Perf guns arrived. RIH w/2" perf gun, stopped @ 743'. TOH w/perf gun. TIH w/tbg down to 1274'. RIH w/tbg gun down to 943'; stopped. TOH w/tbg gun. RU sinker bar on rig. TIH tagged @ 943' but went down slow to 1250'. TOH w/sinker bar, circulated well for about 30 mins. Cleaned it up, got paraffin & red bed back. TIH w/tbg gun & perf @ 1530'. TOH w/gun. RD Apollo. RIH w/tbg to 1544'. RU Superior to pump cmt plug. Pumped 50 sx Class C 12 bbls, 2 bpm, TP 500# density 14.8 & 6 bbls FW, TP 650, 2 bpm. Circ up the 8 5/8", ISIP 350. Bleed off. Pulled tbg out of hole.

12/12/08 - RIH tagged cmt @ 772'. Pulled up to 350'. RU Diamondback to cmt well. Pumped 100' sx Class C w/2% CACL. Pumped 100 sx Class C 25 bbls 2 bpm TP 300. Circ to surface. Pulled tbg, LD, ND BOP. Took off braden head & filled csg up to TOC. RD Diamondback. RD rig. Install surface marker. Clean & clear location.
Pumped 60 sx @ 2900'.
Pumped 60 sx @ 2300'.
Pumped 50 sx @ 1530'.
Pumped 100 sx @ 350'.
Pumped 10 sx @ surface.

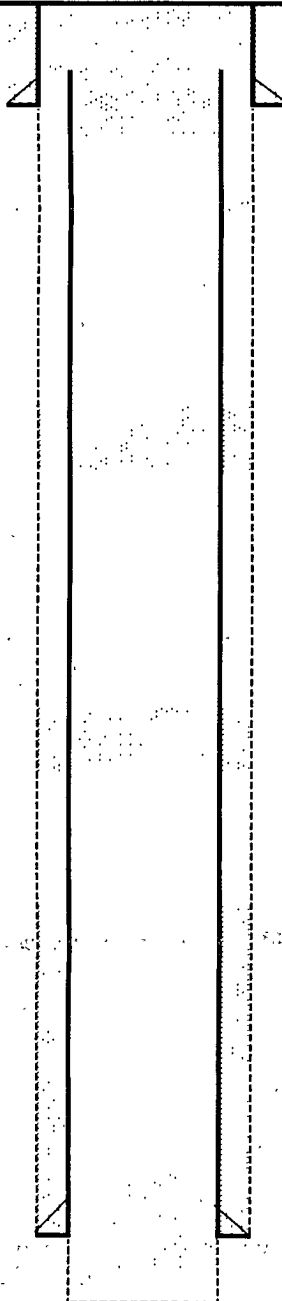
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Rock Queen
COUNTY: Chaves

DATE: Dec. 16, 2008
BY: GSA
WELL: 58
STATE: New Mexico

Location: 1980' FNL & 660' FEL, Sec.25H, T13S, R31ECM
SPUD: 1/56 COMP: 1/56
CURRENT STATUS: P&A'd Injector (12-08)
Original Well Name: W. M. Tulk #8

KB = 4392'
GL =
API = 30-005-00858



Filled casing with 10 sx cement plug at the surface.
Spotted 100 sx cement plug from 350' to surface.

8-5/8" 24# @ 297'

cmt'd. w/ 175 sx (circ 30 sx)

Top of 4 1/2" casing @ 235' +/- 6 joints +/- of 4 1/2" casing was fished at the beginning of the plugging operation.

Perforated holes @ 1530' and pumped 50 sx cement (TOC @ 772').

Perforated holes @ 2300' and pumped 60 sx and then 120'sx cement (TOC @ 2190').

TOC @ 2670' (calc)

Spotted 60 sx cmt plug @ 2950'. Tagged TOC @ 2913'.

4-1/2" 9.5# @ 3058'

cmt'd. w/ 75 sx (DNC)

Top of Queen @ 3058':

Queen Open Hole: 3058' - 3076' (1-56)

PBTD - 3076'
TD - 3076'