

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
1000 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
RECEIVED
OIL CONSERVATION DIVISION
FEB 09 2009
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBSOCD

Form C-103
June 19, 2008

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.)		WELL API NO. 30-025-00299 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injector <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
2. Name of Operator CELERO ENERGY II, LP ✓		6. State Oil & Gas Lease No. 303735
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name Rock Queen Unit ✓
4. Well Location Unit Letter N : 660 feet from the South line and 1770 feet from the West ✓ line Section 30 Township 13S Range 32E NMPM County Lea		8. Well Number 14 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4272' GL		9. OGRID Number 247128 ✓
		10. Pool name or Wildcat Caprock Queen ✓

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 checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOBS <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 OCD Web Page under Forms, www.energy.state.nm.us/oed.

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.

1/26/09 - TIH w/2 3/8" tbg, bumper sub & 4 1/2" csg spear w/grapple to catch 4 1/2" csg. Attempted to latch into 4 1/2" csg @ 532'. TOH. No recovery. Pumped 10.4#, 64 visc salt mud down 6" WP & circ out 8 5/8" & 7 5/8" surface csg, recovering quite a lot of red bed. The cut lip guide shoe had broken off. TIH w/2 3/8" OD tbg w/notched collar & ran to 280'. Prepared to spot cmt in OH @ 532' +/- to P&A well. Contacted Mr. Hill w/the Hobbs, NM OCD office & paper work was faxed describing past work & recommended P&A procedure.

1/27/09 - TIH w/2 3/8" tbg w/notched collar on btm. CO from 408' to 586' using 10.4 salt mud w/60 viscosity. Had good circulation RU Superior cementers. Mix & pump 350 sx of class C cmt w/2% calcium chloride & displaced w/ 1/4 BFW. SD pressure = 550#. Washed up cementers lines. Attempted to pull tbg. Worked w/same & unable to move. Pulled 60K over weight, still would not come loose. Took stretch reading on tbg. Appears tbg is stuck on 1st jt from 554' to 586'. Unable to rotate. Pumped 3 BFW to displace all of cmt out of tbg. WO Rotary Wireline to back off/cut off tbg. Opened valve on tbg & found cmt in same. Ran 3/4" rod into tbg about 10' & displaced soft cmt. Did not attempt to push rod any deeper. Tied onto tbg & pressured to 2000# in an attempt to pump down tbg. Unable to pump. Rotary wireline were not able to get into tbg to cut off. (While cmtng, circulation out well was good at times & would almost stop at times. The circulation rate was not consistent. Cmt did not circulate).

Spud Date:

Rig Release Date:

*Cont'd on back

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 02/02/2009

Type or print name Lisa Hunt E-mail address: LHunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE DISTRICT 1 SUPERVISOR DATE FEB 10 2009
Conditions of Approval (if any):

Celero Energy
Rock Queen Unit #14 - Continued

1/28/2009 - Unloaded 20 jts of 1" CS hydril, N-80 tbg w/associated equipment (Smith Services). PU 1 jt of 1" CS hydril tbg w/1 7/8" blade bit. Drld cmt inside of 2 3/8" tbg from surface to 125'. Unable to drill deeper. TOH & checked bit. Bit okay. Re-ran bit & attempted to continue drlg cmt. Unable to drill any deeper than 125'. TOH w/tbg & bit.

1/29/2009 - TIH w/1" CS hydril, N-80 tbg w/1 3/4" blade bit. Tagged @ 125'. RU swivel, drld & cleaned inside of 2 3/8" OD tbg to 160', recovering cmt. RU Rotary Wireline. Ran free point & found 2 3/8" tbg free @ 153'. Re-ran 1" tbg & 1 3/4" bit. Drill cmt from 160' to 295'. Ran free point & found 2 3/8" tbg free @ 287'. Re-ran 1" tbg w/1 3/4" bit, drill & cleaned out to 460'. TOH w/ drill string. Ran 1 1/2" x 8' free point & stopped @ 378'. Unable to go below 378'. Called Paul Kautz w/OCD who approved backoff. TOH w/tools. Ran 1 3/4" spud bar w/jars & tagged @ 378'. Unable to go deeper. Re-ran 1" tbg w/1 3/4" bit. Did not feel anything @ 378'. Tried free point tools again. Stopped @ 378'. Found tbg free @ 369'. RU 100 grain string shot, placed same inside of 2 3/8" tbg from 412' to 443' (unable to go below 445'), attempt to back off 2 3/8" tbg. Would not back off. Apparently, tbg cemented in @ this point. Re-ran 100 grain string shot (primer cord) & placed inside of 2 3/8" tbg from 359' to 392'. Backed off tbg @ 360'. Moved tbg up & down to make sure same was free. Pumped 30 bbls of 10.4#, 60 visc salt mud & circ hole, down tbg set @ 360'. RU Superior Cementers. Pumped 10 BFW as spacer & spot 150 sx of Class C cmt w/2% CaC12 mixed @ 15 ppg w/1.32 yield in OH from 360'. Pumped @ 2 bpm w/146# pressure & displaced w/0.25 BFW. Tbg went on vacuum. JC @ 7:35 pm. Let cmt equalize between tbg & OH. TOH w/2 3/8" tbg. RD cementers. CWI. Now WOC.

Note: Had good circulation during cementing operation. Cmt did not circulate.

1/30/2009 - After WOC 12.5 hrs. Tagged cmt w/2 3/8" tbg in 8 5/8" & 7 5/8" surface csg @ 20'. RU Superior cementers: Mixed & pumped 8 sx of Class C cmt & fill to surface. Mixed cmt at 15 ppg w/yield of 1.32. JC @ 10:50 am 1/30/09. Capped off well & installed dry hole marker. Cleaned & released all rental equipment. Cleaned location. RDMO service rig. Well now P&A. **Final Report.**

CELERO ENERGY

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

DATE: Feb. 05, 2009
BY: JEA
WELL: 14
STATE: New Mexico

Location: 660' FSL & 1770' FWL, Sec 30N, T13S, R32ECM

SPUD: 7/57 COMP: 7/57

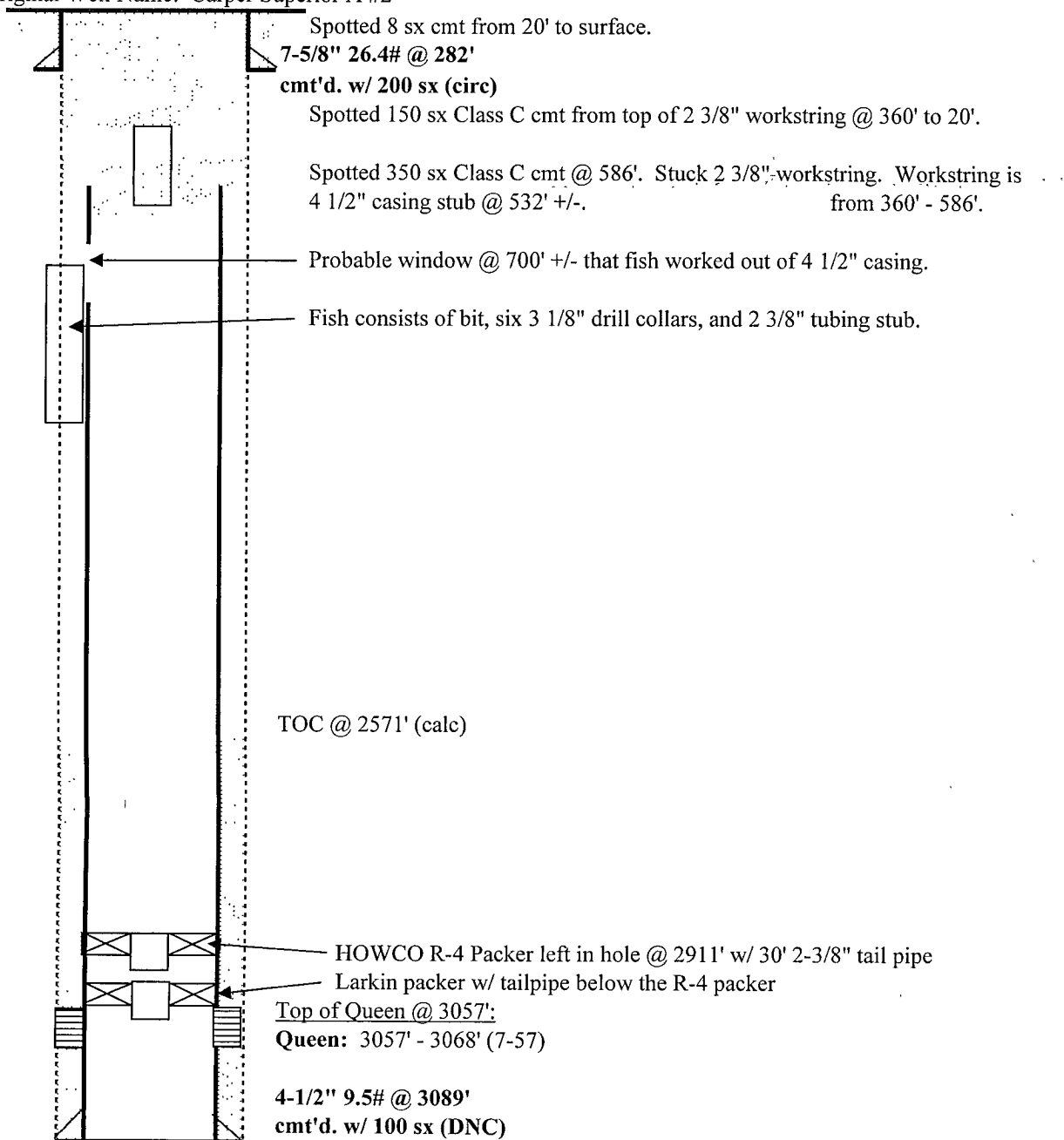
CURRENT STATUS: P&A'd Injector

Original Well Name: Carper Superior A #2

KB =

GL = 4272'

API = 30-025-00299



PBTD -
TD - 3089'