

Feb. 20. 2009 2:46PM  
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

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

No. 0591 P. 2  
Form C-103  
June 19, 2008

|   |  |   |
|---|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.<br>30-025-00300  |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection <input type="checkbox"/>   |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>CELERO ENERGY II, LP   |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator 400 W. Illinois, Ste. 1601<br>Midland, TX 79701  |  | 7. Lease Name or Unit Agreement Name<br>Rock Queen Unit   |
| 4. Well Location<br>Unit Letter J : 1980 feet from the South line and 1980 feet from the East line<br>Section 30 Township 13S Range 32E NMPM County Lea   |  | 8. Well Number 76   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)  |  | 9. OGRID Number 247128  |
|   |  | 10. Pool name or Wildcat<br>Caprock Queen   |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

|  |  |  |  |
|--|--|--|--|
| <b>NOTICE OF INTENTION TO:</b>                 |  | <b>SUBSEQUENT REPORT OF:</b>                     |  |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input checked="" 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 type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>              | CASING/CEMENT JOB <input type="checkbox"/>       |  |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |  |  |  |
| OTHER: <input type="checkbox"/>                |  | OTHER: <input type="checkbox"/>                  |  |

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.

2/20/09 Procedure (cleared w/Buddy Hill this a.m.)

- 1) RIH w/ open-ended tubing and circulate salt mud (mixed w/minimum 12.5lbs/bbl) from plug at 2284' to 300'.
- 2) Spot 7 sx Class C mixed at 14.8 ppg from 2284-2184'. POOH w/tubing.
- 3) RU wireline and perforate 4 shots, 90-degree phasing with a 3-1/8" HSCCG at 1512' (collars at 1508' and 1541') and 300' (collars at 270.5' and 304'). RD wireline.
- 4) RIH with packer to 1300', set and establish injection. Squeeze holes at 1512' with minimum 50 sx Class C containing 2% CaCl2 mixed at 14.8 ppg. Displace with salt mud to 1400'.
- 5) W-O-C at least 2.5 hours, tag and report TOC.
- 6) POOH laying down.
- 7) NU swage to 4-1/2" casing and establish full circulation up 4-1/2" production casing-by-surface casing annulus using freshwater.
- 8) Circulate cement to surface on the production-by-surface casing annulus by mixing and pumping minimum 120 sx Class C mixed at 14.8 ppg.

Spud Date:

Rig Release Date:

RECEIVED

FEB 20 2009

HOBBSDO

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 02/20/2009

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

For State Use Only

APPROVED BY: Campbell, Hil TITLE DISTRICT 1 SUPERVISOR DATE FEB 20 2009

Conditions of Approval (if any)

# CELERO ENERGY

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

DATE: 2/20/09.  
BY: GSA  
WELL: 76  
STATE: New Mexico

Location: 1980' FSL & 1980' FEL, Sec 30J, T13S, R32ECM

SPUD: 8/57 COMP: 8/57

CURRENT STATUS:

Original Well Name: Carter Superior B #1

KB :=

GL :=

API: 30-025-00300

7-5/8" 101.74' 26.4#, 8-5/8" 126.35' 24# @ 247'  
cmt'd. w/ 150 sx

EXISTING - 2/20/09.

400'  
MULTIPLE  
SCATTERED  
BRIDGES  
1380'

TAG @  
2284'

T.O.C @ 2284' TESTED TO 750 psi w/ F.W.

4 SHOTS @ 2300' (PRESSURED TO 1400psi - COULD NOT GET  
INJECTION RATE -

T.O.C @ 2330' (CBL, 2/09)

SHOT 30 SX @

2555-2098' AND  
SQT TO 675psi

2555-TAG  
5020  
4450 SX

POOR CASING STARTS @ 2600' ±

PROBABLE CSG PART AT 2978'

TAILPIPE @ 2840' ±

Top of Queen @

Queen: 3061' - 3069' (8-57)

PROBABLE 2-3/8" TAILPIPE TAG @ ± 2340' - AMOUNT  
UNKNOWN.

4-1/2" 11.6# @ 3089'

cmt'd. w/ 100 SX

50/50 POZ

OLD PACKER HAD BEEN @ 2574'  
(TALLY).

PBTD -  
TD - 3090'