

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

OIL CONSERVATION DIVISION

MAR 11 2009

1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBSDO

WELL API NO.

30-025-05216

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
TD Pope 36

8. Well Number 8

9. OGRID Number

247128

10. Pool name or Wildcat  
Denton Devonian

## 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 ☒ Gas Well ☐ Other ☐2. Name of Operator  
CELERO ENERGY II, LP3. Address of Operator 400 W. Illinois, Ste. 1601  
Midland, TX 79701

4. Well Location

Unit Letter F : 1980 feet from the North line and 1650 feet from the West line

Section 36 Township 14S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3801' 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 ☐

OTHER:

OTHER: Deepen & return to production ☒

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.

11/11/08 - MIRU Basic PU.

11/14/08 - Spotted 2 sx sand on TS BP.

11/18/08 - Run log from 12,219' to 4000'.

11/19/08 - RIH w/CBL, log from 12,218' to 5063'.

11/24/08 - RIH w/ 7" CIBP, locate collars, set CIBP @ 12,205'. Dump bailer 2 sx cmt on top of CIBP.

12/8/08 - Pumped 10 bbls acid followed w/35 bbls acid. SD. Closed bypass. Resumed flushing acid, 75 bbls flushed pumping 1 bpm @ 1800 psi. Opened bypass. Started mixing 100 sx Class H cmt w/55% C-12 retarder @ 15.6 #/gal @ 12:39 cst. Total 22 bbls cmt. Flushed w/22 bbls wtr. Closed bypass. Resumed pumping. Displaced total of 54 bbls. Pumping 1/2 bpm @ 2720 psi. Washed up pump &amp; lines. Resumed squeezing, hesitation method, after 2 hrs 45 mins pumped .25 bbls. Pressured up to 1000 psi, 3 mins psi was 670 psi. Displaced to 58.5 bbls total.

12/10/08 - Hard cmt 1st 10', then mushy cmt &amp; scale, last 30' was good cmt. Drld to 9153'.

Continued on page 2

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 03/09/2009

Type or print name Lisa Hunt

E-mail address: LHunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

MAR 13 2009

Conditions of Approval (if any):

TD Pope 36 # 8 – C-103 continued

12/11/08 - Lower bit, tagged @ 9151'. Drld hard cmt to 9181' (9181' to 9210' void no cmt). Drld hard cmt 9210' to 9264'; fell through. Drld stringers to 9330'. FIH w/bit to 9700' did not tag anything.

12/12/08 - Wolfcamp squeeze to 500 psi, leaked off to 0 psi 10 mins. Released pkr & lower to 10,482'. Set & tested pkr & BP to 500 psi no leak. Released pkr & pulled back 9182'. Set pkr, load w/4 bbls, took 8 bbls to pressure to 1000 psi, leaked off to 0 psi 15 mins. Pressured to 1500 psi in 20 mins. Released pkr. RIH w/open ended tbg to 9460'; 292 jts 2 7/8" in the hole.

12/15/08 - Mixed 60 sx class H+3/10 C-12+1/4% R-38 cmt wt 15.60 yield 1.18 gal/sk 5.20. Pumped 20 bbls FW spacer 13 bbls slurry followed w/52 bbls wtr. Note: Broke circ 38 bbls into pumping. POOH w/tbg. PU cst pkr. RIH. Set @ 8978'. Loaded w/17 bbls. Pressure to 1500#. Leaked off 550# 15 mins. Pressure 1500# 1/4 bbl leak off to 550#. 15 mins. Pressure to 1500# 1/8 bbl leak off to 500# 15 mins. Pressure to 1500#, leak off to 400# in 15 mins. Note: 5 hrs 45 mins from mix time. Released pkr. POH to 6160'.

12/16/08 - Started mixing 200 sx class H cmt w/25% R-38 & 10% w/60, 30 bbls cmt mixed.

12/19-23/08 – Drld hard cmt down to 5995'.

12/24/08 - Drld good cmt from 9113' to 9132'. Drld stringers from 9132' to 9178'. Drld 15 mins per jt from 9178' to 9301'.

12/29/08 - Resumed drlg @ 9301', drlg 15 mins per jt, fell out of cmt @ 9451'. Drld cmt stringers down to 9482'. Started washing down, iron sulfide & formation in returns. At 12,008' started getting cmt in returns. Tagged hard cmt @ 12,202'.

1/6/09 - RU Basic Cementing, pumped 56 bbls FW ahead & broke circ w/11 bbls gone. Checked wt of wtr in returns & weighed same as FW. Started mix @ 9:50 cst. Mixed 70 sx Class "H" cmt w/4% gel + .45% C-20 retarder @ 13.5# P/Gal, 1.72 yield, 9.1 Gal/Sx, 21.4 bbls slurry, displaced w/50 bbls FW. Fluid static. POOH w/tbg. RIH w/7" 5.75" OD, HD pkr, 2 3/8" SN, x-over, 273 jts 2 7/8" tbg to 8883'. Start rev circ, broke circ w/4 bbls, reversed total of 70 bbls. Set pkr @ 8883' & psi csg to 500# psi. Started hesitation squeeze @ 2:45 cst. Psi to 1000# leak off 100# psi in 4 mins. Psi to 1300# 1 bbl gone. Leaked off 150# psi in 4 mins, Psi to 1600# leak off 200# psi in 2 mins, psi to 1800# leak off 300# psi in 8 mins, psi to 2000#, 2 bbls gone, leaked off 75# psi in 8 mins. Repeatedly psi to 2000#. After 8 hrs on cmt, 2.5 bbls gone, psi to 2000#, leaked 50# psi in 15 mins, 75# psi in 30 mins, psi to 2000#.

1/8/09 - 0# psi on tbg, standing full of water, psi tbg to 2000 psi. Leaked 20# psi in 15 mins. Started pumping down tbg for pump test. 2 bpm @ 50# psi, 2.5 bpm @ 150# psi, 3 bpm @ 350# psi, 3.5 bpm @ 500# psi. Pump could not get more rate due to pressure. Switched to reverse circ, started drlg cmt @ 9015'. Drld 39' in 13 mins to 9054'. Drld from 9054'-9085' in 10 mins. Drld from 9085'-9117' in 9 mins.

1/9/09 - Resumed drlg 9117 to 9147' in 10 mins, 9147' to 9178' in 12 mins, 9178' to 9209' in 17 mins, 9209' to 9242' in 15 mins, 9242' to 9273' in 30 mins, 9273' to 9301' in 18 mins, 9301' to 9330' in 17 mins, 9330 to 9359' in 15 mins, 9359' to 9390' in 39 mins. Fell out of cmt @ 9410'. Tagged @ 9421', 9421' to 9452' in 18 mins, 9452' to 9471' in 18 mins. Fell out of cmt @ 9471'. Drld stringers to 9543'. Drld cmt to 12,214' by tbg tally.

1/13/09 - Started milling on CIBP, milled for 3 hrs & made 6". CIBP slid down hole 1 ft.

1/14/09 - Tagged @ 12,214'. Milled for 1 hr, well went on vac & milled for 15 mins. CIBP started sliding down hole. Pushed to 12,520'. Mill for 30 mins. Would not make anymore hole. Started POH to 12,230'

1/16/09 - Cleaned out to 12,553'. Dry drill w/6 pts wt for 30 mins. Could not make any more hole. Cavity had well fluid.

1/19/09 - Started pumping down csg 1 bpm, mill from 12,520' to 12,526' in 4 hrs. PU to 12,520'. Had to jar to get above 12,520'.

1/20/09 - TIH & tagged @ 12,522'. PU w/no drag to 12,510'. Started pumping down csg 1 bpm. Started rotating power swivel @ 12,510'. Tagged @ 12,522'. Milled to 12,525'. Not making any hole. Recovered CIBP in shoe.

1/22/09 - Milled for 2 hrs. Started making hole. Cleaned out to 12,625' w/KB. Shoe became stuck. Work torque into tbg & pull to 135,000 on weight indicator. Pumped 90 bbls down csg w/25 gals soap. Reciprocate tbg while torquing w/power swivel. Could not work free. Order 1000 gals 15% acid. Pumped 150 bbls produced wtr down csg. Slow rate & maintain 2 bpm. Start pumping 1000 gals 15% acid down tbg followed by 40 bbls produced wtr. Slow rate to 1 bpm. Reciprocate tbg repeatedly while torquing w/power swivel. Pumped an additional 46 bbls at 1 bpm down tbg while working tbg. Could not work free. Pulled 45 pts over tbg wt.

TD Pope 36 # 8 – C-103 continued

2/3/09 - Tbg still stuck. Shot FL @ 5229'. RIH & free point tbg, FL @ 5550', 100% free @ 12240', ½ jt above DC's, 10% free @ 12253', x-over at top of DC's. Started pumping 1000 gals 15% acid 3 bpm 0 psi. Flushed w/85 bbls. SD. Csg static through out pumping acid & after shutting down. Worked tbg but no movement.

2/6/09 - Pumped 250 gals 15% NEFE acid followed w/75 bbls produced wtr down tbg. Pumped 100 bbls down csg, lower shoe to 12,408' tag. Pumped 250 gals acid followed w/ 75 bbls produced wtr. Pumped 100 bbls down csg, work shoe to 12,473' tag junk basket. Pumped 500 gals acid followed w/75 bbls produced wtr. Pumped 100 bbls wtr down csg. POOH no drag pulling back out over fish w/wash pipe.

2/10/09 - Started pumping 3 bpm. Started pumping 30 bbls LCM down tbg. Flushed w/65 bbls water down tbg. SD for 30 mins. Started pumping 3 bpm down csg. Pumped 30 bbls LCM pill down tbg. Flushed w/65 bbls. SD for 30 mins. Shot FL @ 1833' from surface. Started pumping down tbg @ 3 bpm. Good blow on csg. Caught psi w/44 bbls gone. 300 psi. Pumped total of 100 bbls. No blow on csg, pump 10 bbls LCM pill. Flushed w/55 bbls. SD for 30 mins. Shot FL @ 1701'. Started pumping down tbg @ 4 bpm, caught fluid w/15 bbls gone, 800 psi, pumped a total of 70 bbls, no blow on csg. Pumped 10 bbls LCM pill @ 3 bpm 400 psi, flushed w/55 bbls, no blow on csg. SD for 30 mins. Shot FL @ 1210'. Started pumping 10 bbls LCM pill @ 3.5 bpm, caught psi w/17 bbls gone, 950 psi, flushed w/60 bbls, no blow on csg. SD. Csg on slight vacuum. SD for 30 mins. Shot FL @ 1454'. Started pumping 15 bbls LCM pill @ 4.5 bpm, 100 psi, broke circ, 3 bpm returns, flushed w/65 bbls. SD. LD 18 jts. RIH w/9 stds tbg.

2/11/09 - Started pumping conventional at 4 bpm. Pumped 365 bbls. Switched to reverse circ. Pumped 20 bbls at 5 bpm. Broke circ w/a total of 385 bbls pumped. Slow rate to 4 bpm. Started washing down. Tagged at 12,620'. Drld to 12,680' by tbg tally. Spinning on what is left of CIPB. Returns on btm were iron sulfide, frac balls, reda bands & slivers of metal. Drld for 1 hr w/out making any hole & no torque. PU bit off btm. Switched to conventional circ. Drld 45 mins w/out making any hole.

2/17/09 - Logged from 12,718' to 12,000'. RIH w/4" select fire, HSCCG, correlate from 12,570' to 12,000'. Perforated 1 JSPF @ 12,369', 12,361, 12,346', 12,329', 12,318', 12,317', 12,297', 12,295', 12,285', 12,282', 12,275', 12,249', 12,247', 12,228', 12,225', 12,220, 12,219', total of 17 holes. Perforated 12,249', 12,247', 12,228', 12,225', 12,220', 12,219'.

2/19/09 - Started pumping produced water, 47 bbls gone caught psi, 4.5 bpm at 560 psi. Pumped 126 bbls total. Started 1500 gals acid 7.1 bpm at 4231 psi. Switched to brine. Dropped 2000# rock salt 7.2 bpm at 2864 psi. Acid on formation. 9 bpm at 2050 psi. Started 1500 gals acid. 8 bpm at 2068 psi. Block formation 10.1 bpm at 3451 psi. Switched to brine. Dropped 2000# rock salt. 10 bpm at 3447 psi. Started 1500 gals acid 10.35 bpm at 3166 psi. Acid on formation 10.83 bpm at 3473 psi. Block on formation. 8.43 bpm at 2544 psi. Switched to brine. Dropped 3000# rock salt. 11.28 bpm at 2514 psi. Acid on formation. 9.9 bpm at 4092 psi. Blocked on formation 10.2 bpm at 4364 psi. Started 2000 gals acid. 9.83 bpm at 6453 psi. Switched to brine. Dropped 3000# rock salt 9.81 bpm at 4047 psi. Acid on formation. 11.1 bpm at 3781 psi. Started 2000 gals acid, 7.87 bpm at 2056 psi. Block on formation. 10.12 bpm at 3656 psi. Started flush. 8.68 bpm at 2564 psi. Acid on formation. 10.07 bpm at 6481 psi. Finished flushing. ISIP 639 psi. 2.5 mins tbg on vacuum. Unset cst pkr. RIH & tagged TD at 12745'.

2/20/09 - PU sub pump as follows: 1-A well sensor, 2-456 120 Hp mtrs, 1295-V, 59-A, 1-66L seal, 1-LSL HI seal, 2-Rgs – Intakes, 1-SD3000 pump, 59 stages, 4-SD1750 pumps – 500 stages, SOS tech dropped 6" x 3/8" extension & socket in hole. Checked to see if it was in the BOP. Pulled pumps out to see if it was on the pumps or motors. Run back in w/BHA, x-over, 250 jts 2 7/8" 6.5# L-80 8rd tbg – 8132.59', x-over, 117 jts 2 7/8" PH-6 tbg – 3599.08'. Spliced in lower pigtail onto #4 flat lead cable. Landed donut onto seaboard WH. Intake @ 11854.23'. Bottom of A-well sensor @ 11929.83'. ND BOP. NU master valve & flowlines. Returned well to production.