

District I
1625 N. French Dr., Hobbs, NM 88240District II
1301 W. Grand Ave., Artesia, NM 88210District III
1000 Rio Brazos Rd., Aztec, NM 87401District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

OIL CONSERVATION DIVISION

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

WELL API NO. 30-025-00303 /
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 81 /
9. OGRID Number 247128 /
10. Pool name or Wildcat Caprock; Queen /
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4379' KB

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, LP /

3. Address of Operator 400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location

Unit Letter O : 660 feet from the South line and 2310 feet from the East line
Section 30 Township 13S Range 32E NMPM County Lea

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: ☐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.NOTE: Notify NMOCD a minimum of 24-hrs before RU. All cmt will be Class C containing 2% CaCl₂ mixed at a min of 14.8 ppg.

1) MIRU pulling unit. PU and RIH with workstring, tag CIBP at 3040', and circulate hole w/salt mud.

2) Spot 10 sx cement on CIBP, pick up, WOC a minimum of 2 hours, then tag TOC at 2900' or higher.

3) POOH standing back roughly 2300' of workstring. RU wireline w/packoff and perforate 4 shots, 90-degree phasing, with a
HSCCG at 2305'. POOH with wireline.4) RIH with tension-set packer on workstring and set. Test casing to a minimum of 250 psi then squeeze holes at 2305' with 40
sx cement. WOC a minimum of 2 hours and tag TOC at 2205' or higher.5) POOH standing back roughly 1500' of workstring. RU wireline w/packoff and perforate 4 shots, 90-degree phasing, with a
HSCCG at 1545'. POOH with wireline.6) RIH with tension-set packer on workstring and set. Test casing to a minimum of 250 psi before squeezing holes at 1545' with 40
sx cement. WOC a minimum of 2 hours and tag TOC at 1445' or higher.7) POOH standing back roughly 325' of workstring. RU wireline and perforate 4 shots, 90-degree phasing, with a HSCCG at 285'.
POOH with wireline.

8) Run workstring to 325' and circulate the 4-1/2"-by-8-5/8" annulus and 4-1/2" casing to surface using 125 sx cement.

Spud Date:

Rig Release Date:

The Oil Conservation Division **Must be notified**
24 hours prior to the beginning of plugging operations

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 05/04/2009Type or print name Lisa Hunt E-mail address: LHunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: Maley Brown TITLE Compliance Officer DATE 5/12/2009
Conditions of Approval (if any)

CELERO ENERGY

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

DATE: May. 04, 2009
BY: MWM
WELL: 81
STATE: New Mexico

Location: 660' FSL & 2310' FEL, Sec 30O, T13S, R32ECM
 SPUD: 10/57 COMP: 10/57
 CURRENT STATUS: Producer
 Original Well Name: Carper Superior B #4

KB = 4379'
GL = 3061'
API = 30-025-00303

11"
Hole

8-5/8" 24# @ 235' w/ 150 sx 50/50 Poz --

TOC calc'd @ surface

w/20% enlargement and yld = 1.07 ft#/sk

Perf (4) at 285', circ. 4-1/2"-by-8-5/8" and 4-1/2" w/ total 125 sx from 325'

325'

Salt Mud

T/anhv @ 1455'

T/salt @ 1545'

B/salt @ 2253'

T/Yates @ 2305'

T/Queen @ 3061'

1445' (tag)

Perf (4) @ 1545', squeeze w/40 sx; tag at 1445'-

1545'

Salt Mud

6 3/4"
Hole

2205' (tag)

Perf (4) at 2305', squeeze w/40 sx; tag at 2205'-

2305'

TOC @ 2404' (CBL, 5/09) Calc'd enlargement = 17% with yield = 1.26 ft3/sk

Salt Mud

2900' (tag)

Spot 10 sx on CIBP at 3040', tag at 2900'

CIBP at 3040'

Queen: 3062' - 3067' (10/57)

4-1/2" 9.5# @ 3089' w/ 125 sx 50/50 Poz, 2% gel

PBTD -
TD - 3090'