

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

June 19, 2008

RECEIVED**JUN 04 2009****HOBBS**

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	✓

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" 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 <u>O</u> : 660 feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>30</u> Township <u>13S</u> Range <u>32E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4379' KB	

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☒
 CASING/CEMENT JOB ☐

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.

5/19/09- MIRU.

5/20/09-Tagged @ 3040'. Spot 25 sx of C cmt w/ 2% CaCl2. Raise tbg. WOC 2 hrs. Lower & tag @ 2682'. TOH w/ tbg. TIH w/ tbg & 4 1/2" tension pkr. Ran to TOC. Circ. hole w/ 9.5 ppg of salt gel laden fluid. Raise pkr to 2098'. Perf 4 1/2" csg w/ 1 11/16" tbg gun @ 2305' w/ 4 holes. Place 250# pressure on tbg/csg annulus. Attempt to pump into perfs. Pumped @ 1/4 BPM & 1500# pressure. Unable to cmt squeeze perfs. TOH w/ tbg & pkr. Perf 4 1/2" csg w/ 3 1/8" csg gun w/ 4 holes @ 2305'. TIH w/ tbg & pkr. Place 250# pressure on tbg/csg annulus. Attempt to pump into perfs w/ 1500# pressure @ 1/2 BPM w/ pressure trying to increase. Unable to cmt squeeze perfs.

5/21/09-TIH w/tbg & pkr. TIH w/tbg open ended to 2374'. Spotted 25 sx of class C cmt w/2% CaCl2 down tbg to place cmt over Yates zone perforations at 2305'. Raised tbg. WOC 2 hrs. Lwr tbg & tagged at 2062'. TOH w/tbg. Perforated 4 1/2" csg w/4 shots, using 3 1/8" csg gun w/23 gram charges, 90 degree phasing at 1545' & 285', respectively. TIH w/tbg & pkr. Set pkr at 1263' & attempted to pump into perfs at 1545'; taking 1000# at 0.67 bpm. TOH w/tbg & pkr. TIH w/tbg open ended to 1603'.

*Cont'd on back of page.

Spud Date:

Rig Release Date:

Approved for plugging or 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.emnrd.state.nm.us/oed.

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 06/01/2009Type or print name Lisa Hunt E-mail address: LHunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: Terry W. Hill TITLE DISTRICT 1 SUPERVISOR DATE JUN 08 2009

Conditions of Approval (if any):

Rock Queen Unit #81 - Continued

5/21/09 - Spotted 25 sx of Class C cmt w/2% CaC12 down tbg over perms at 1545'. TOH w/tbg. TIH w/tbg & pkr & set pkr at 308'. Placed 300# pressure on cmt covering perms at 1545'. WOC 2 hrs. TOH w/tbg & pkr. TIH w/ tbg open ended. Tagged cmt at 1386'. Raised tbg to 339'. Mixed & pumped 40 sx of Class C cmt w/2% CaC12 down tbg, circulating cmt out 2 3/8" x 4 1/2" annulus. Opened 8 5/8" x 4 1/2" annulus valve. Had circulation for a period of time & circulation stopped. Did not circulate cmt out same. TIH. LD tbg. ND BOP & WH. Installed swedge in 4 1/2" csg & pumped 5 sx down 4 1/2" csg w/700# pressure. Tied onto 8 5/8" valve and pumped 3 sx of cmt down 8 5/8 x 4 1/2" annulus w/400# pressure.

* 5/22/09 - Cut off WH & installed dry hole marker. RDMO. Well now P&A'd.