

RECEIVEDUNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**OCD-ARTESIA**FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

JUL 02 2009

HOBBSON**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

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Oil Well

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Gas Well

☒

Other

Injection

2. Name of Operator

CELERO ENERGY II, LP

3a. Address

400 W. Illinois, Ste. 1601 Midland TX 79701

3b. Phone No. (include area code)

(432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980 South 1980 East

UL: J, Sec: 3, T: 14S, R: 31E

5. Lease Serial No.

LC-068474

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Drickey Queen Sand Unit #21

9. API Well No.

30-005-00965

10. Field and Pool, or Exploratory Area

Caprock Queen

11. County or Parish, State

Chaves

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**TYPE OF SUBMISSION****TYPE OF ACTION**☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

☐

Acidize

☐

Deepen

☐

Production (Start/Resume)

☐

Water Shut-Off

☐

Alter Casing

☐

Fracture Treat

☐

Reclamation

☐

Well Integrity

☐

Casing Repair

☐

New Construction

☐

Recomplete

☐

Other

☐

Change Plans

☒

Plug and Abandon

☐

Temporarily Abandon

☐

Convert to Injection

☐

Plug Back

☐

Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/31/08-12/17/08

Repaired/replaced wellhead as needed. CO/ milled out 5 1/2" csg & open hole to new TD @ 3072'. Logged well w/ GR/CCL/CN log from 3072'-1200'. Spotted sand plug across open hole w/ top of sand @ 3025'. Tried five times to run 4" 9.5# J-55 ultra flush joint liner and one time with 10 joints of 3 1/2" 9.3# L-80 ultra flush joint liner to a liner setting depth of 3025', but was unable to get past 2826' +/- The 5 1/2" casing was milled out to 3025' between each attempt to run the liner. The decision was then made to P&A the well. Called OCD - Maxey Brown and rec'd verbal approval. RU Superior to cmt. Pumped 14.3 bbls of Class Cw/2% CACL 2# sand-per sx-TP 20#, 2 bpm, density 14.8, 9 bbls FW TP 25#, 2 bpm, RD Superior. Pulled back up to 2000'. Waited 3 hrs & went down & tagged cmt @ 2835'. Pulled 10 stands. It had 200 psi on TP bleed off. RIH tagged cmt @ 2836'. Pulled up to 2311'. RU Diamondback to pump cmt. Pumped 14.3 bbls of Class C w/2% CACL 7 bbls FW, 3 bpm TP 124, density 14.8. Waited 2 1/2 hrs. Tagged cmt @ 2559'. TOH w/tbg. RU Apollo. RIH to 1530' & shot 4 holes. Pulled out. RIH w/gun & shot holes @ 370'. RD Apollo. RIH open ended to 2311'. RU Diamondback pumped 60 sx of class C cmt. Pumped 14.3 bbls 3 bpm TP 124, 7 bbls FW. Pulled 15 stands. RIH & tagged @ 2385'. Pulled up to 2311' & RU Superior to pump cmt. Pumped 60 sx Class C w/2% CACL & 5 bbls FW. Pulled 15 stands. Waited 2 1/2 hrs; tagged @ 2170'. TOH w/tbg. RIH w/5 1/2" CBP & set it @ 2125', circulated 75 bbls brine gel water. Spotted 25 sx cmt plug on CBP. *Cont'd on back of form.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 12/19/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Date

JUN 15 2009

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office **ROSWELL FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

LH JUL 02 2009

Approved as to plugging of the well bore. Liability under bond is retained until surface restoration is completed.

RECEIVED

Drickey Queen Sand Unit #21 con'td

Pulled up to 1530'. Spotted 60 sx of Class C cmt & 4 bbls FW. TOH w/tbg. RIH & tagged @ 1610'. Pulled up to 1530'. Spotted 50 sx of class C w/2% 4 bbls FW. Pulled up; waited 2 ½ hrs. RIH. Tagged @ 1238'. Pulled up to 401'. Circ 60 sx. Pulled out. Top off w/5 sx. RD Superior. Broke off braden head. Cleaned location & installed surface marker. Well is now P&A.

Copy sent to OCD Hobbs office for like approval.

PL

RECEIVED

RECEIVED

11:27 PM #11

RECEIVED
11:05 AM
OCD
HOBBS

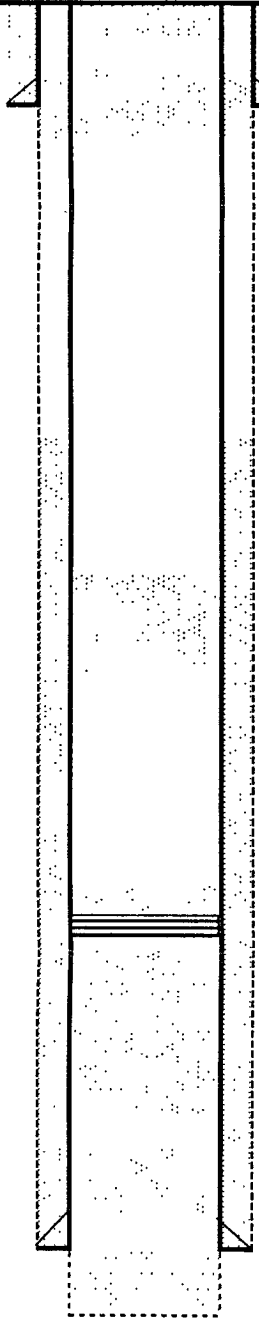
CELERO ENERGY

FIELD: Caprock
LEASE/UNIT: Drickey Queen Sand Unit
COUNTY: Chaves

DATE: Dec. 19, 2008
BY: JEA
WELL: 21
STATE: New Mexico

Location: 1980' FSL & 1980' FEL, Sec 3J, T14S, R31ECM
SPUD: 8/54 COMP: 8/54
CURRENT STATUS: P&A'd Injector (12-08)
Original Well Name: Government B #10

KB = 4425'
GL = 4416'
API = 30-005-00965



Spotted 5 sx cmt surface plug.

8-5/8" 22.7#/ft @ 330'

cmt'd. w/ 175 sx cmt. TOC @ surface (calc).

Perforated holes @ 370' and circulated 60 sx cement.

TOC @ 990' +/- (calc)

Perforated holes @ 1530' and pumped 110 sx cement (TOC @ 1238').

CIBP @ 2125' w/ 25 sx cmt cap on top.

Spotted 60 sx cement plug @ 2311'. Tagged TOC @ 2559'.

Spotted 2nd 60 sx cement plug @ 2311'. Tagged TOC @ 2385'.

Spotted 3rd 60 sx cement plug @ 2311'. Tagged TOC @ 2170'.

Spotted 60 sx cement plug @ 3005'. Tagged TOC @ 2835'.

5-1/2" 14# @ 3030'

cmt'd. w/ ? sx (DNC)

Top of Queen @ 3045'.

Queen: 3045' - 3063' (8-54)

Sand plug from 3025' to 3072'

PBTD - 3072'
TD - 3072'

12/19/2008

DQSU #21