

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNew Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240
FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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
☒ Oil Well ☐ Gas Well ☐ Other ☒

2. Name of Operator
CELERO ENERGY II, LP

3a. Address 3b. Phone No. (include area code)
400 W. Illinois, Ste. 1601 Midland TX 79701 (432)686-1883

4. Location of Well (Footage, Sec, T, R, M, or Survey Description)
Sec 15 (K); T14S; R31E
2080' FSL & 1980' FWL Unit-K

5. Lease Serial No.
LC-060811

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 #47

9. API Well No.
30-005-01055

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
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

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.)

6/3-6/12/09 - Returned the abandoned producer to production.

Repaired road. MIRU. Installed 7" WH. TIH w/2 7/8" OD tbg w/6 1/8" OD bit. Tagged at 537'. C/O to 547'. TIH w/tbg & 6" lead impression block. TOH. Appeared that 2 7/8" tbg and/or top of pkr/BP is looking up. TIH w/tbg, DC's, 1 jt of 5 1/2" wash pipe & 5 1/2" x 6 1/8" cutrite shoe (shoe #2). Tagged @ 2847' & milled to 2979' (T.D.). Circ hole clean. TOH w/tbg & BHA. Recovered in the washover shoe a fish measuring 15" long x 4.15" OD that has no opening on top but has a 1 3/4" opening on btm. An attached piece measures 3" long x 4.60" OD w/four equally spaced teeth about 2+ inches long x 1 1/2" in depth. TIH w/tbg & 7" tension pkr. Ran & set @ 2883'. Tested to 400# & held for 15 mins. Released pkr & TOH. Raised 7" production csg 3' & re-installed 7" WH. TIH w/92 jts of 2 7/8" OD, J-55, 8rd EUE tbg, 2 7/8" x 4' tbg sub, 3.50" OD x 19.76', 140-4100 stator w/cross bar, 1 jt of 2 7/8" tbg, 2 7/8" x 7" TAC & 4' x 2 7/8" bull plugged perforated nipple. Set stator from 2887-2907'; TAC w/16 pts of tension from 2938-41' & bull plugged perforated nipple from 2941' to 2945'. EOT @ 2945'. TIH w/14.5' rotor for 140-4100 stator, 114 - 7/8" x 25" "K" rods w/spray metal couplings + 1-4" & 1-8" x 7/8" pony rods + 1 1/4" x 16' spray metal polish rod. Spaced rotor 30" off btm. RD. Installed GrenCo M-2100 surface drive w/40 hp mtr. Laid flowline & connected WH to flowline.

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Lisa Hunt

Title Regulatory Analyst

Signature

Lisa Hunt

Date 06/29/2009

RECEIVED

JUL 15 2009

HOBBSCO

ACCEPTED FOR RECORD FOR FEDERAL OR STATE OFFICE USE

/S/ DAVID R. GLASS

Approved by

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.

Title 18 U.S.C. Section 1024 and 18 U.S.C. Section 1212, make it a crime for any person to knowingly make any false, fictitious, or fraudulent statements or representations as to any matter within the jurisdiction of the Federal Bureau of Investigation.

Accepted For Record Only! Approval
Subject To Returning Well To Continuous
Production And Keeping Well On Continuous
Production Or Plugging Well With An
Approved Plugging Program!

CELERO ENERGY

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

DATE: Jun. 02, 2009
BY: MWM
WELL: 47
STATE: New Mexico

Location: 2080' FSL & 1980' FWL, Sec 15K, T14S, R31ECM

KB = 4323'

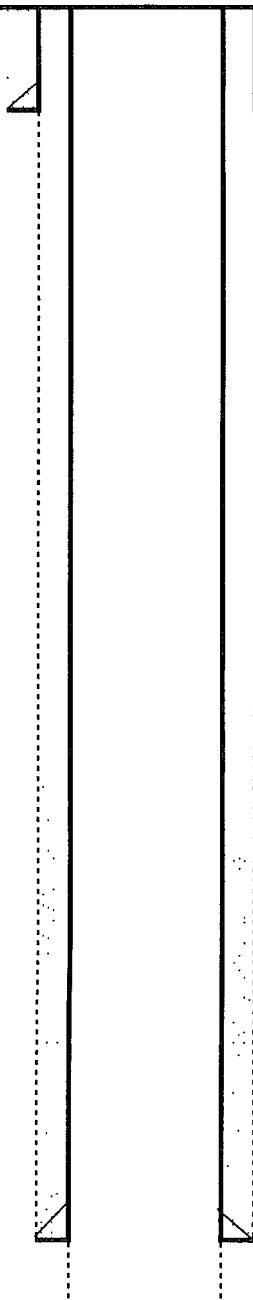
SPUD: 7/54 COMP: 7/54

GL =

CURRENT STATUS: TA Prod.

API = 30-005-01055

Original Well Name: Union Federal #2



Assumed 15" hole

12-3/4" 45#/ft @ 245'

cmt'd w/ 245 sx; est circ'd w/enlargement=20%, yield=1.26 ft³/sk
(50/50 Poz w/2% gel)

T/Anhy @ 1295'

T/Salt @ 1410'

B/Salt @ 2035'

8" hole below 1295'

TOC=2296' w/enlargement=20%, yield=1.26 ft³/sk(50/50 Poz w/2% gel)

7", 20# @ 2965' w/125 sx (DNC)

Top of Queen at 2968'; 6" O-H 2968' - 2979'

6" hole

PBTD - 2979'
TD - 2979'