

## OIL CONSERVATION DIVISION

JAN 11 2011 1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-05147 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator CELERO ENERGY II, LP ✓		6. State Oil & Gas Lease No.
3. Address of Operator 400 W. Illinois, Ste. 1601 Midland, TX 79701		7. Lease Name or Unit Agreement Name TD Pope 26 ✓
4. Well Location Unit Letter O : 660 feet from the South line and 1980 feet from the East line Section 26 Township 14S Range 37E NMPM County Lea ✓		8. Well Number 14 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3796' GL		9. OGRID Number 247128 ✓
10. Pool name or Wildcat Denton; Devonian		

## 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/20 - 11/2309 Start pumping 2000 gals 90% acid, 10% Zylene at 7.2 bpm at 70 psi, pump 50 bbls 10# brine. Start pumping 10# brine w/inhibitor w/125 bbls pumped pressure increased to 2350 psi at 7.2 bpm, pump 162 bbls 10# brine. Started communicating out csg. SD pump truck. Unset pkr & POH, 38 jts above pkr, jt of tbg was collapsed from top to btm & was split on the sides in several places. Packer looked to be in good condition. RU BoMonk tbg testers. RIH w/5 1/2" HD pkr w/viton O'Rings; 2 3/8" SN, x-over, 264 jts 2 7/8" 6.5# L-80 8rd tbg - 8337.46', x-over, 118 jts 2 7/8" 8.7# PH-6 tbg - 3652.89'. Set pkr w/30 pts compression at 11998.81'. Start pump 200 bbls 10# brine, 7.3 bpm at 80 psi. Pump 10 bbls gelled brine w/800# rock salt, pump 2000 gals 90% acid, 10% Zylene, 7.6 bpm at 80 psi. Pump 50 bbls 10# brine. Block formation 7.5 bpm at 90 psi. Pump 40 bbls 10# brine w/scale inhibitor. Pump 200 bbls 10# brine. Slow rate to 5 bpm. Pump 20 bbls gelled brine w/1700# rock salt. Increase rate to 7.6 bpm at 20 psi. Pump 2000 gals 90% acid, 10% Zylene, 7.2 bpm at 80 psi. Pump 50 bbls 10# brine. Increase rate to 7.9 bpm at 120 psi. Block on formation 7.9 bpm at 160 psi. Increase rate to 8.5 bpm at 360 psi. Pump 40 bbls 10# brine w/scale inhibitor. 8.5 bpm at 170 psi. Start 200 bbls 10# brine 78 bbls after all block at top lateral psi increased to 420 psi then decreased to 140 psi after 20 bbls. Flush w/130 bbls FW, ISIP vacuum. Avg rate 7.85, Max rate 8.5, Avg psi 335. RD. Unset HD pkr. PU sub pump as follows: 1-phoenix sensor, 1-456 216 Hp mtr, 2490-V, 55.5-A, 2-LSBPB HL seals, 1-VGSA intake w/screen, 1-AGH gas handler, 4-DN1750 compression pumps - 471 stages, 2 3/8" SN, x-over, 247 jts 2 7/8" 6.5# L-80 8rd tbg - 8003.04', x-over, 139 jts 2 7/8" 8.7# PH-6 tbg 4308.92'. Intake at 12411.28'. Bottom of phoenix sensor at 12460.88'. Start pumps at 7:12 cst. Pump 16 bbls produced water down tbg. Pumped up in 20 mins. Set current limit at 46 amps, Min 57 hz, Max 62 hz. Leave well pumping to battery.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lisa HuntTITLE Regulatory AnalystDATE 01/06/2010Type or print name Lisa HuntE-mail address: LHunt@celeroenergy.comPHONE: (432)686-1883

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APPROVED BY: [Signature]TITLE PETROLEUM ENGINEERDATE JAN 13 2010

Conditions of Approval (if any):