

Submit 1 Copy To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
October 13, 2009

RECEIVED  
MAY 10 2010  
HOBBSOCD

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-31882
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cone
8. Well Number 4
9. OGRID Number 247128
10. Pool name or Wildcat Knowles, South (Devonian)
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 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 J : 1980 feet from the South line and 1980 feet from the East line Section 12 Township 17S Range 38E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

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.

5/3/10 - Unload & rack 371 jts 2 7/8" workstring, 230 Psi on well. Bleed psi off. Slight flow of produced wtr. ND master valve & flange. NU BOP. TIH w/mule shoe bent joint. Tag @ 6667' w/ 210 jts + 20'. Work tbg down to 6704'. Tagging solid. Could not make any more hole. Pull tbg above 6667'. Work tbg back down & tag @ 6667'. Rotate tbg & work tbg down to 6704'. Tagging solid. Pull tbg to 6639'.

5/4/10 - 110 psi on 5 1/2" csg, 0 psi on surf & intermediate. RU vacuum truck on csg to bleed off - slight flow. POOH w/ tbg. TIH w/ 5 1/2" HD pkr on 145 jts workstring. Set pkr @ 4587', pressure 5 1/2" csg to 500 psi & tested good. Pressure surf pipe to 200 psi & tested good. Pressure intermediate to 375 psi & held good. RU on tbg & establish inj rate @ 3 bpm @ 1500 psi w/all csg valves open. At 16.5 bbls gone. Intermediate csg started started flowing @ 1/4 bpm. Pumped an add'l 20 bbls. Intermediate csg remained @ 1/4 bpm flow. Unset HD pkr. Circulate hole w/100 bbls 10# brine. Tbg & csg on vac. POH w/HD pkr.

5/5/10 - MIRU Reverse Unit. RIH w/2"x 4 5/8" bullet mill, 2- x-overs, 4- 3 1/8" DC's, x-over, 207 jts 2 7/8" workstring, tag @ 6679'. PU power swivel, mill from 6679' to 6685', returns from 6679' to 6680' were scale, returns from 6680' to 6685' were mostly cmt w/some scale. Could not run any weight on mill. Mill would torque up & stall power swivel. PU off btm & reverse hole clean. Returns were cmt & very little scale. POH w/30 stands tbg to 4776'. SD.

Spud Date:

Rig Release Date:

Approved for plugging of well bore only.  
Liability under bond is retained pending receipt  
of C-103 (Subsequent Report of Well Plugging)  
which may be found at OGD Web Page under  
Forms: [www.ohmre.state.nm.us/ocd](http://www.ohmre.state.nm.us/ocd).

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: 05/06/2010

Type or print name: Lisa Hunt

E-mail address: LHunt@celeroenergy.com

PHONE: (432)686-1883

For State Use Only

APPROVED BY:

[Signature]

TITLE:

[Signature]

DATE: 5-10-10

Conditions of Approval (if any):