

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

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

HOBBS

WELL API NO.	30-025-07152 ✓
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	Clovis K. Kendrick ✓
8. Well Number	1 ✓
9. OGRID Number	247128 ✓
10. Pool name or Wildcat	Gladiola; Devonian ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3872' GR

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 ☒ Gas Well ☐ Other ☐

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 I : 1980 feet from the South line and 660 feet from the East line
Section 6 Township 12S Range 38E NMPM County Lea

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Return to production ☒

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.

4/20-5/12/10 - MIRU, ND flow lines & master valve, & NU BOP. Pull MLE donut out of wellhead, RU Wood Group spooler. POH w/ 33 jts 2 7/8" 8.7# PH-6 tbg - 1031.29', x-over, 219 jts 2 7/8" 6.5# L-80 8rd tbg - 7119.26', x-over, 2 3/8" S.N., 5) TD3000 pumps - 504 stages, 1 - rgs - intake, 2 - 98L seals, 2 - 456 180 Hp motors, 1505-V, 79-A, 1 - Smartguard, 1 - 2 3/8" ported nipple, x-over, 1 - 2 7/8" ported nipple, 1 - sliding sleeve, 1 - indexing anchor catcher. RIH w/ electro BHP tool. Tag @ 11992', 11980.5' - 4602 psi @ 180', 11880' - 4557 psi, 11780' - 4513 psi, 11000' - 4159 psi, 10000' - 3691 psi, 8000' - 2776 psi, 6000' - 1864 psi, 4000' - psi, 2000' - 118 psi, 0' - 12 psi. Test to 6000# psi as follows: 5 1/2" Roto-Vert csg scraper, x-over, 218 jts 2 7/8" 6.5# L-80 8rd tbg - 7086.63', (jt 199 tested bad, had crack in pin), x-over, 33 jts 2 7/8" 8.7# PH-6 tbg - 1031.29' to 8122.92'. POH w/ tbg & scraper. PU sub pump as follows: 1- Smartguard, 2- 456 120 hp motors, 1295-V, 59-A, 2- 98L seals, 1- bolt on intake, 6- TD3000 pumps - 629 stages, 2 3/8" S.N., x-over, 218 jts 2 7/8" 6.5# L-80 8rd tbg - 7086.63', x-over, 33 jts 2 7/8" 8.7# PH-6 tbg - 1031.29'. Splice in new lower pigtail onto "New" #2 flat lead cable, Wir 80,000, land donut into seaboard WH intake @ 8245.44', bottom of Smartguard @ 8320.86'. ND BOP. NU Master Valve. Static 2989. RDPU. Move off location. Returned well to production. 24 hr test: 40 BO, No gas, 3000 BW.

Spud Date:

Rig Release Date:

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 05/12/2010

Type or print name Lisa Hunt E-mail address: LHunt@celeroenergy.com PHONE: (432)686-1883
For State Use Only

APPROVED BY: [Signature] TITLE Staff DATE 5-12-10
Conditions of Approval (if any):