

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 AUG 19 2010 HOBBSOCD		OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	
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.)		WELL API NO. 30-025-05127	
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 Buckley B	
4. Well Location Unit Letter F : 2310 feet from the North line and 1650 feet from the West line Section 25 Township 14S Range 37E NMPM County Lea		8. Well Number 4	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3819' DF		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: Acdzd ☒

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.

7/13-8/11/10 MIRU. RIH w/ 1 9/16" tbg punch & collar locator. Tag @ 12,102'. Locate collar @ 12,061'. Shoot 4 holes, 0 degree phasing @ 12,077.5'. POH w/ tbg punch. Found fluid level @ 7500'. Pump 500 gallons 15# NEFE w/ max iron control, displace w/ 14.5 bbls soapy fresh wtr, SD for 30 minutes, pump 5 bbls, SD for 30 minutes, pump 5 bbls, SD 30 minutes, start pump 500 gallons 15% NEFE, tbg loaded w/ 38 bbls total fluid, finish acid, displace w/ 55 bbls wtr, hesitate twice in 30 minute increments, work tbg from 80 pts to 150 pts, close tbg. RU on csg. Load csg w/ 8 bbls, psi csg to 500# psi w/ slight bleed off. After 2 hours csg went on vacuum. Pumps came free, LD 2 jts tbg, pump 130 bbls wtr down csg. Acidize open hole w/ 8000 gallons Acidsol, 15% HCL/9010, 2000 gallons Acidsol, 20 bbl brine spacer, 30 bbl scale inhibitor, 160 bbl brine spacer, 10 bbl gelled brine w/ 1.5 ppg rock salt in 4 stages, flush w/ 250 BFW, max psi 5962#, avg psi 3771#, max rate 10 bpm, avg 7.8 bpm, ISIP vac, total diverter 1900#, TFTR 1152 bbls. Release pkr. POH w/ tbg & pkr. PU Wood Group sub pump as follows: 1- Smartguard, 1- 456 120 Hp motor, 2245V, 35A, 2- 98L HL HSS seals, 1- MAG3 gas separator, 3- TD460 pumps - 510 stages, 2 3/8" S.N., x-over, 248 jts 2 7/8" 6.5# L-80 8rd tbg - 8021.98', x-over, 131 jts 2 7/8" 8.7# PH-6 tbg - 4089.17'. Splice lower pigtail into #4 flat lead cable, WIR 122,000, land donut into seaboard WH, intake @ 12,162.72', bottom of Smartguard @ 12,207.29'. NDBOP. NU MV & FL, check rotation, start pumps @ 6:18 Cst @ 58.5 Hz in straight current. Pumped up in 76 minutes. RDPU move off location. Leave well pumping to battery.

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 08/17/2010

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 20 2010

Conditions of Approval (if any):