

Submit 1 Copy To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88210
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

SEP 29 2010

HOBBSOCD

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. 30-005-00924 ✓
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 checked="" type="checkbox"/> FEE <input 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 DRICKEY QUEEN SAND UNIT ✓
4. Well Location Unit Letter <u>G</u> : <u>1980'</u> feet from the <u>NORTH</u> line and <u>1980'</u> feet from the <u>EAST</u> line Section <u>35</u> Township <u>13S</u> Range <u>31E</u> NMPM County <u>CHAVES</u>		8. Well Number <u>4</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4412' GR		9. OGRID Number 247128 ✓
		10. Pool name or Wildcat CAPROCK QUEEN ✓

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: Convert to injector ☒

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.

- 1) POOH and lay down production equipment
- 2) Make a scraper run to 3030'.
- 3) Set BP at 3030' and test.
- 4) RIH w/3030' of 4", 9.5 ppf, J-55, UFJ casing and cement to surface with 130 sx Class C w/2% CaCl2.
- 5) Drill out to 3079' and run injection equipment. Put well on injection per Order WEX-868

Condition of Approval: Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart

Per Underground Injection Control Program Manual
II.6 c. Packer shall be set within or less than 100 feet
of the uppermost injection perfs or open hole.

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 09/27/2010

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 MGR DATE 10-5-10

Conditions of Approval (if any):

2

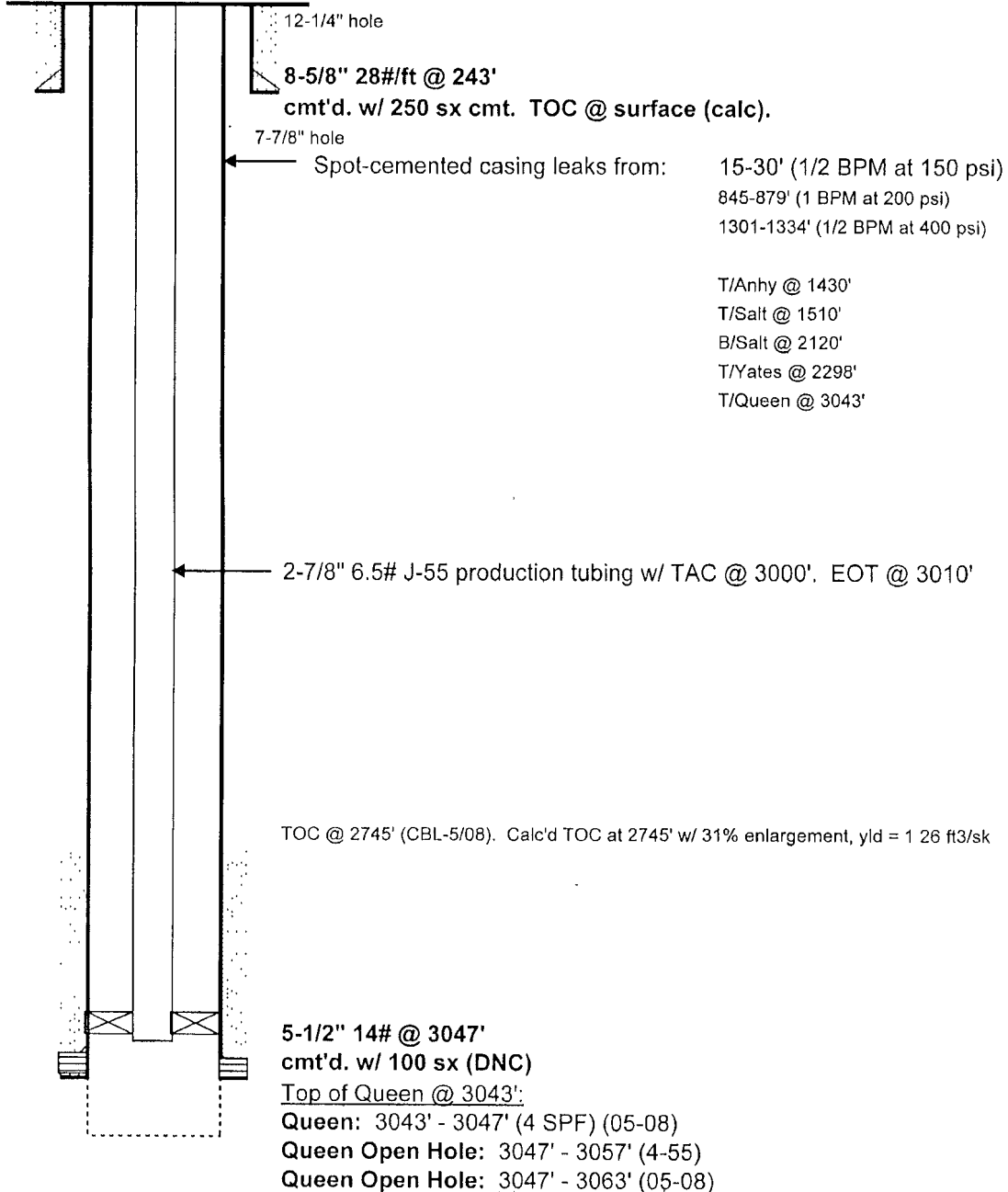
CELERO ENERGY

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

DATE: Apr. 03, 2009
BY: MWM
WELL: 4
STATE: New Mexico

Location: 1980' FNL & 1980' FEL, Sec 35G, T13S, R31E
SPUD: 4/55 COMP: 4/55
CURRENT STATUS: Producer
Original Well Name: N.M. State "I" A/c 1 #4

KB = 4412'
GL = 4403'
API = 30-005-00924



PBTD - 3082'
TD - 3082'

Not Shown: 5-1/2" AD-1 Packer w/grapple left in hole.