

RECEIVED

SEP 29 2010

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-005-00925
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	303733
7. Lease Name or Unit Agreement Name	DRICKEY QUEEN SAND UNIT
8. Well Number	1
9. OGRID Number	247128
10. Pool name or Wildcat	CAPROCK QUEEN
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4408' KB

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 A : 660' feet from the NORTH line and 660' feet from the EAST line
Section 35 Township 13S Range 31E NMPM County CHAVES

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: Convert to injector ☒

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.

- 1) POOH and lay down production equipment
- 2) Make a scraper run to 3042'. RUN CIL from 3042'-2500'.
- 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 3094' and run injection equipment. Put well on injection per Order WFX-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 then 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):

ch

CELERO ENERGY

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

DATE: Apr. 06, 2009
BY: MWM
WELL: 1
STATE: New Mexico

Location: 660' FNL & 660' FEL, Sec 35A, T13S, R31ECM
SPUD: 4/55 COMP: 4/55
CURRENT STATUS: Producer
Original Well Name: N.M. State "I" A/c 1 #5

KB = 4408'
GL =
API = 30-005-00925

