

Form 3160-5
(April 2004)
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New Mexico Oil Conservation Division, District 1
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1625 N. French Drive
Hobbs, NM 88240
APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☐ Gas Well ☒ Other Try

2. Name of Operator
Celero Energy II, LP

3a. Address 3b. Phone No. (include area code)
400 W. Illinois, Ste. 1601 Midland TX 79701 (432)686-1883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL 660' FWL
UL: D, Sec: 25, T: 13S, R: 31E

5. Lease Serial No.
LC-068288-A

6. If in an Allotment, Tribe Name

7. If Unit of Agreement, Name and/or No.
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8. Well Name and No.
ROCK QUEEN UNIT 54

9. API Well No.
30-005-00863

10. Field and Pool, or Exploratory Area
CAPROCK; QUEEN

11. County or Parish, State
CHAVES
NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Reactivate
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>injector</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/20/10 - NDBOP & NU 3K Hydraulic BOP. Pumped down tbg through cmt retainer @ 2,857' w/ 10 BPW @ 1 1/2 bpm on vacuum, TOH w/ 91 jts of 2 3/8" OD, J-55, 8rd, EUE, 4.7# tbg w/ cmt retainer stinger. TIH w/ 2 3/8" OD tbg, 6- 3 1/8" OD DC's & 3 7/8" OD tri-cone bit. Tag cmt retainer @ 2,857'. Drl out cmt retainer in 1 1/2 hrs & pushed same to 3,010'. Raise bit to 2,917'.

10/21/10 - TOH w/ 2 3/8" OD tbg w/ DC's & bit. TIH w/ 2 3/8" OD tbg w/ 4 1/2" squeeze pkr. Ran to 2,514'. Load 2 3/8" x 4 1/2" annulus w/ 14 BPW. Pumped into perforations @ 2,450' w/ 250# pressure & 2 bpm rate. Pumped down tbg to OH 3,049' to 3,057' @ 2.3 bpm on vacuum. TOH w/ tbg & pkr. Ran btm hole pressure gauge to 3,007' & took BHP. BHP @ 3,007' = 695 psi. BHT = 87° F. Fluid level is est to be 1,700' from surface. Re-ran tbg & pkr to verify fluid entry into perforation @ 2,450'. Set pkr @ 2,584' & pumped down 2 3/8" x 4 1/2" annulus w/ 30 BPW @ 1.8 bpm & 250# pressure. TOH w/ tbg & pkr.

* Continued on attached sheet

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Lisa Hunt Title Regulatory Analyst

Signature Lisa Hunt Date 10/28/2010

ACCEPTED FOR RELEASE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/ DAVID R. GLASS Title Date

Conditions of approval, if any, and a statement of approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office **ROSWELL FIELD OFFICE**

Title 18 U.S.C. Section 1011 and 18 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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Rock Queen Unit #54 C-103 Continued

10/22/10 - TIH w/ 2 3/8" OD tbg w/ 4 1/2" squeeze pkr & RBP. Set RBP @ 2,845', raise pkr to 2,725' & test pkr, RBP & tbg to 1,100#. Held okay. Spot 1 sx of sand on RBP. Raise tbg to 2,150'. Load 2 3/8" x 4 1/2" annulus & held 500# pressure on same. Pump 5 BFW down tbg & perfs to cmt @ 2,450', started pressuring up. Pressure went to 1,300# @ 0.5 bpm. SD & pressure bled off from 1,300# to 250# in 5 min. Unable to cmt squeeze perfs. Decided to spot cmt in WB from 3,010' back to 2,350'. TOH w/ pkr. Start back in hole to recover RBP. Unable to go below 2,450'. TOH w/ retrieving head for RBP. Ran 3 3/4" bit & unable to go past 2,450'. Ran 3 3/4" OD lead impression block. TIH w/ 3 3/4" tapered mill, 1- 3 1/8" DC, 3 3/4" string mill & 2- 3 1/8" OD DC's. Ran on 2 3/8" OD tbg. Tag @ 2,450'. Lightly mill & rotate from 2,450' to 2,455' recovering sand & small metal shavings. Unable to go deeper. Raise tapered mill to 2,400'

10/25/10 - Ran mill to 2,578'. No fill. TOH w/ tbg & BHA. Ran tbg w/ retrieving head. Ran to top of RBP @ 2,854'. RBP still set. TOH. TIH w/ tbg & 4 1/2" pkr. Set pkr below perfs (2,450') @ 2,514'. Test RBP, pkr & tbg to 1,000#, held okay. Raise pkr to 2,348'. Attempt to pump into perfs 2,450'. Unable to pump into perfs w/ 1,000# pressure. RU swab perfs @ 2,450'. Swab 2 hrs & recovered 14 BF. SFL = 700' from surface, EFL = 2,200' from surface (swab down) SD for 1 hour. Ran swab & tag fluid @ 1,700'. Had 500' of fluid entry in 1 hour. Swab 1/2 hour & recovered 6 BF. Total fluid recover over a 3 1/2 hour period = 20 BF. Perfs @ 2,450' are giving up fluid. Pumped 30 BPW into perfs @ 2 bpm & 0# pressure. Raise pkr to 2,150' & test 2 3/8" x 4 1/2" annulus to 500# & held okay.

10/26/10 - Pump 10 BW down tbg into perfs (perfs to cmt squeeze @ 2,450') @ 1 1/2 bpm @ 100# pressure. Mix & pump 150 sx of Class "C" neat cmt (1st 75 sx had 2# sand per sack of cmt) & displaced 1 bbl below pkr @ 2,214'. Attempt to hesitate cmt squeeze perfs @ 2,450'. Staged cmt over 2 3/4 hour period. Unable to get a pressure increase. Pumped all cmt through perfs & over displaced w/ 5 BFW. JC @ 2:45 P.M. WOC 3 hours. Pump 150 sx of Class "C" cmt w/ 2% CaC12 (1st 75 sx w/ 2# sand per sack of cmt) & displaced 1 bbl below pkr to 2,214'. WOC 30 min. Pump 1/2 bbl @ 0#. WOC 20 min., open WH valve. The 1st 1/4 bbl slowly went into perfs, then well went on a strong vacuum for the next 1 3/4 bbls. Shut WH valve leaving 1.2 bbls of cmt in 4 1/2" OD csg @ 2,373'. Now WOC.

10/27/10 - After WOC 12 1/2 hrs, pumped 10 BFW down tbg to check cmt squeezed perfs @ 2,450'. Took fluid @ 1 1/2 bpm & 250# pressure. SD pressure = vacuum. Release pkr & TOH. TIH w/ 2 3/8" OD tbg w/ 3 3/4" bit. Tag cmt in perfs @ 2,450'. Drill 4' & fell out of cmt. Ran bit to RBP @ 2,845' & wash off sand. TOH. TIH w/ tbg & retrieving head for RBP. Latched onto RBP @ 2,845' & TOH. TIH w/ tbg open ended to 2,585'. Dump 3 sx of sand (150#) down tbg. Raise tbg to 2,390' & CWI. Prepare Intent to P&A sundry.